



**ANNUAL
REPORT
2025**



SECURITY
INVESTMENT
BANK LTD.

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Vision & Mission



VISION

Aiming for continued growth, we will further develop our strengths to seize new opportunities and maintain our steadfast commitment.

MISSION

Meet the challenges of highly competitive market with our expertise, creativity and service.

Develop & maintain strong client relationship.

Continuously enhance our contributions towards industrial development of the country.

Above all, in a tradition of prudent growth, our unwavering determination to strengthen long-term earnings and return on shareholders' equity will endure.

COMPANY INFORMATION

BOARD OF DIRECTORS

Haji Jan Muhammad - Chairman
Mr. Muhammad Mehboob
Mrs. Zillay Huma Khan
Mr. Ghazzanfar Ahasan
Mr. Saleem Jessani
Mr. Syed Zafar Hasan Reza
Mr. Muhammad Bilal Chaudhry

PRESIDENT & CEO

Mr. Zafar M. Sheikh

AUDIT COMMITTEE

Syed Zafar Hasan Reza - Chairman
Mr. Saleem Jessani
Mr. Muhammad Mehboob
Mr. Muhammad Bilal Chaudhry

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Muhammad Bilal Chaudhry - Chairman
Mr. Zafar M. Sheikh
Mr. Muhammad Mehboob
Mr. Syed Zafar Hasan Reza

RISK MANAGEMENT COMMITTEE

Mr. Ghazzanfar Ahasan
Mr. Muhammad Mehboob
Mr. Syed Zafar Hasan Reza
Mr. Zafar M. Sheikh

CHIEF FINANCIAL OFFICER

Mr. Shakeel Ahmed

SHARIAH ADVISOR

Mufti Ghaffar Ahmed

HEAD OF INTERNAL AUDIT

Mr. Muhammad Naveed Jamal, ACMA

AUDITORS

Muniff Ziauddin & Co.
Chartered Accountant

TAX ADVISORS

Grant Thornton Anjum Rahman
Chartered Accountants

LEGAL ADVISORS

Mr. Muhammad Altaf
Advocate of the High Court

SHARE REGISTRAR

M/s. C&K Management
Associate (Pvt) Limited
M-13, Progressive Plaza,
Plot No. 5, CL-10,
Civil Lines Quarter,
Beaumont Road, Karachi.

BANKERS

JS Bank Limited
United Bank Limited
Bank Makramah Limited

REGISTERED OFFICE

Office No.15, 3rd Floor,
Al-Rehmat Mall, Sector G-11,
Markaz, Islamabad
Tel: (051) 2221222
Website: www.sibl.com.pk

KARACHI OFFICE

Suit No.502, 5th Floor,
Madina City Mall
Abdullah Haroon Road,
Saddar, Karachi
Tel: (021) 35659753-54
Fax: (021) 35659755
E-mail: sibl@sibl.com.pk

NOTICE OF THE THIRTY FIFTH ANNUAL GENERAL MEETING

Notice is hereby given that the Thirty Fifth Annual General Meeting of Security Investment Bank Limited (the Company) will be held at Office No.15, 3rd Floor, Al-Rehmat Mall, Sector G-11 Markaz, Islamabad, on April 29, 2026 at 10:30 a.m. to transact the following business:

ORDINARY BUSINESS

1. To confirm the minutes of the Extraordinary General Meeting held on June 30, 2025.
2. To receive and adopt the audited financial statements of the Company together with the Auditors' Report, Chairman Review and Directors' Reports thereon for the year ended December 31, 2025.
3. To appoint auditors and fix their remuneration for the year ending December 31, 2026. The retiring auditors M/s. Muniff Ziauddin & Co. Chartered Accountants retire and being eligible offers themselves for reappointment to act as the external auditors of the Bank and fix their remuneration for the years ending December 31, 2026.
4. To approve, as recommended by the Board of Directors, the payment of meeting fee to Non-Executive Directors for attending Board Committee Meeting of Rs.25,000/- per meeting.

ANY OTHER BUSINESS

5. To consider any other business with the permission of the Chair.

BOOK CLOSURE

The share transfer book of the company will remain closed from April 22, 2026 to April 29, 2026 (both days inclusive). Transfer applications received in order at the office of the Share Registrar of the Company (i.e. C & K Management Associates (Private) Limited, M-13, Progressive Plaza, Plot No.5-CL-10, Civil Lines Quarter, Beaumont Road, Karachi) by the close of business on April 21, 2026 will be treated in time for determining the entitlement of members to attend the Annual General Meeting of the Company.

By order of the board

Karachi:

March 30, 2026

Company Secretary

NOTES:

Appointment of Proxy

- A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on his/her behalf, provided such proxy is also a Member.
- An instrument of proxy and the Power of Attorney or other authority (if any) under which it is signed, or a Notary Public certified copy of such Power of Attorney, in order to be valid, must be deposited with the Company's Share Registrar, C & K Management Associates (Private) Limited not later than (48) forty-eight hours before the time of holding the Meeting.
- Form of Proxy is herewith enclosed.

CDC Account Holders

CDC accounts holders are in addition are required to follow the guidelines of Circular No.1, dated January 26, 2000 of the SECP for attending the Meeting:

- In case of individuals: The account holder or sub account holder and/or the person whose securities are registered on CDS; and their registration details are uploaded as per the regulations, shall authenticate his/her identity by showing his/her original CNIC or original passport at the time of attending the Meeting. Members are also required to bring their Participants' I.D. Number and Account Numbers in CDS.

- In case of a corporate entity: Board of Directors Resolution/Power of Attorney with specimen signature of nominee shall be produced (unless it has been provided earlier) at the time of the Meeting.

Change of Address

Members are requested to immediately notify change of address to the Company's Share Registrar at the following address:

M/s. C & K Management Associates (Private) Limited
M-13, Progressive Plaza, Plot No.5, CL-10, Civil Lines Quarter, Beaumont Road, Karachi.

Important Notes to the Members

CNIC Copy

Members are requested to submit a copy of their valid CNIC (only physical members), if not already provided to the Share Registrar of the Company. Corporate account holders should submit National Tax Number, if not yet submitted. In case of non-submission of CNIC/NTN Certificate (copy), all future dividends will be withheld till provision of these documents.

E-Dividend (Mandatory)

In accordance with the provisions of Section 242 of the Companies Act, 2017 and E-Dividend Regulations of the SECP through SRO 1145(1)/2017 dated November 6, 2017, it is mandatory for the Company to pay cash dividend to the members only through electronic mode directly into the bank account designated by the Member.

In order to receive dividends directly into bank accounts, members are requested to fill in Dividend Mandate Request Form available at Company's website www.sibl.com.pk and to send the same duly signed along with copy of CNIC to the Company's Share Registrar, in case of physical shares. In case the shares are held on the CDS, the Form required to be submitted directly to the Member's broker/participant/CDC Account Services.

In case of non-compliance, the Company will be constrained to withhold payment of dividend to such Member.

Unclaimed Dividend

The Company has previously discharged its responsibility under Section 244 of the Companies Act, 2017 whereby the Company approached such members to claim their unclaimed dividend in accordance with the law.

Members, whose dividends are still unclaimed, are hereby once again advised to approach the Company to claim their outstanding dividend amounts. An updated list of unclaimed dividend is available on the Company's website www.sibl.com.pk

Centralized Cash Dividend Register (CCDR)

Central Depository Company ("CDC") has developed Centralized Cash Dividend Register ("CCDR"), an eServices web portal which would incorporate details pertaining to cash dividends paid, unpaid or withheld by listed companies. The CCDR will help to maintain history of dividends paid to members by listed companies and access of all such information will be provided to the respective members. The web portal will facilitate members of listed companies in retrieving details of cash dividends from the centralized register and using the same for their record purposes.

You may access CCDR via <https://eservices.cdcaccess.com.pk>. In addition, the Dividend/Zakat & Tax Deduction Report can also be obtained directly from your Participant (stock broker) which has been provided to them on their CDS terminals.

Conversion of Physical Shares into CDS

In compliance with the requirements of Section 72 of the Companies Act, every existing listed company is required to replace his/her physical shares with book-entry form in a manner as may be specified and from the date notified by the SECP, within a period not exceeding four years from the commencement of the Companies Act, that is, May 30, 2017.

Members having physical share certificates are requested to convert their shares from physical form into book entry form as early as possible. It would facilitate the members in many ways including safe custody of shares, no loss of shares, avoidance of formalities required for issuance of duplicate shares and readily available for sale and purchase in open market at better rates.

Deduction of Income Tax from Dividend under Section 150

The Government of Pakistan through Finance Act made certain amendments to Section 150 of the Income Tax Ordinance, 2001 whereby different rates have been prescribed for deduction of withholding tax on the amount of dividend paid by the companies in the following manner:

For Active Taxpayers	15%
For Non-Active Taxpayers	30%

Active tax payers should ensure that their names duly appear on the Active Taxpayers List (ATL) of the Federal Board of Revenue (FBR). You may visit the FBR website for assistance. Should the name of a member be absent on the ATL, the Company will be constrained to deduct tax at 30% notwithstanding that such member may be an income tax filer.

In case of joint accounts, FBR has clarified that withholding tax will be determined separately on 'Active/Non-Active' status of principal members as well as joint-holder(s) based on their shareholding proportions. Members holding shares jointly are advised to provide shareholding proportions of principal member and joint-holder(s) in respect of shares held by them, if not already provided, at the earliest to the Share Registrar on the Following format, otherwise it will be assumed that share are held in equal proportion:

Company Name	Folio/CDS Accounts Number	Total Shares	Principal Shareholder		Joint Shareholders	
			Name & CNIC	Shareholding proportions (No. of shares)	Name & CNIC	Shareholding proportions (No. of shares)

In another clarification by FBR, valid tax exemption certificate for claim of exemption under Section 150, 151 and 233 of the Income Tax Ordinance, 2001 is required where statutory exemption under Clause 47B of Part-IV of the Second Schedule is available. Such certificate Under Section 159(1) of the Income Tax Ordinance, 2001 issued by concerned Commissioner of Inland Revenue is to be produced to avail tax exemption.

Corporate Members having CDC accounts are required to provide their National Tax Number (NTN) to their participants. Corporate physical Members should send a copy of their NTN certificate to the Share Registrar. Members while sending NTN or NTN Certificates, as the case may be, must quote company name and their respective Folio Numbers.

Circulation of Annual Audited Financial Statements via QR Enabled Code

SECP vide its SRO 389(1)/2023 dated March 31, 2023 has allowed companies to circulate Annual Audited Financial Statements together with Auditor's, Chairman's and Director's Report to the members through QR enabled code and Web-link as part of Annual General Meeting.

Notwithstanding the above, the Company will provide hard copies of the Annual Report, 2025, to any Member on their request at their registered address within one (1) week of receiving such request.

Placement of Financial Statements

The Company has placed the QR enabled Audited Financial Statements for the year ended December 31, 2025 along with Chairman Review Report Auditors and Directors Reports and Notice to members thereon on its website: <http://www.sibl.com.pk>

SECURITY INVESTMENT BANK LIMITED

POSTAL BALLOT PAPER

Security Investment Bank Limited

POSTAL BALLOT PAPER

Postal Ballot Paper for voting through post for the Annual General Meeting to be held on Wednesday, April 29, 2026, at 10:30 a.m. at Office No.15, 3rd Floor, Al-Rehmat Mall, Sector G-11 Markaz , Islamabad or email at general.meeting@sibl.com.pk
Phone: (+92-21) 35659753-4, Website: www.sibl.com.pk

Folio/CDS Account Number		
Name of Shareholder/Proxy Holder		
Registered Address		
Number of shares Held		
CNIC/Passport No. (in case of foreigner) (copy to be attached)		
Additional information and enclosures (in case of representative of body corporate, corporation, and Federal Government)		
Name of Authorized Signatory		
CNIC/Passport No. (in case of foreigner) of Authorized Signatory (copy to be attached)		
<p>Resolution For Agenda Item No.1 "RESOLVED THAT minutes of the Extraordinary General Meeting of the Company held on June 30, 2025 be and are hereby confirmed." Resolution For Agenda Item No.2 "RESOLVED THAT the Audited Financial Statements together with Auditor's, Chairman's and Director's Report, as recommended by the Board, of the Company for the year ended December 31, 2025, to the members through QR enabled code and Web-link as part of Annual General Meeting, be and is hereby approved." Resolution For Agenda Item No.3 "RESOLVED THAT the appointment of M/s. Muniff Ziauddin & Co, Chartered Accountants as auditors of the Company for the year ending December 31, 2026, at the agreed remuneration as recommended by the Audit Committee of the Board of Directors, be and is hereby approved." Resolution For Agenda Item No.4 "RESOLVED THAT to approve, as recommended by the Board of Directors in its 142nd meeting held on October 25, 2025, the payment of meeting fee to Non-Executive Directors for attending Board Committee Meeting of Rs.25,000/- per meeting."</p>		
Instructions for Poll		
1. Please indicate your vote by ticking (✓) the relevant box.		
2. In case if both the boxes are marked as (✓), your poll shall be treated as "Rejected" .		
I/we hereby exercise my/our vote in respect of the above resolution through ballot by conveying my/our assent or dissent to the resolution by placing tick (✓) mark in the appropriate box below:		
Resolution	I/We Assent to the Resolution (FOR)	I/We Dissent to the Resolution (AGAINST)
Resolution for Agenda Item No.1		
Resolution for Agenda Item No.2		
Resolution for Agenda Item No.3		
Resolution for Agenda Item No.4		
<p>Note:</p> <ol style="list-style-type: none"> Dully filled ballot paper should be sent to the Chairman of Security Investment Bank Limited at 502, 5th Floor, Madina City Mall, Abdullah Haroon Road, Saddar, Karachi or email at general.meeting@sibl.com.pk Copy of CNIC/Passport (in case of foreigner) should be enclosed with the Postal Ballot Form. Ballot paper should reach the Chairman within business hours by or before Wednesday, April 22, 2026. Any postal Ballot received after this date, will not be considered for voting. Signature on ballot paper should match with signature on CNIC/Passport. (In case of foreigner). Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written poll paper will be rejected. In case of a representative of a body corporate, corporation or Federal Government, the Ballot Paper Form must be accompanied by a copy of the CNIC of an authorized person, an attested copy of Board Resolution/Power of Attorney/Authorization Letter etc., in accordance with Section(s) 138 or 139 of the Companies Act, 2017 as applicable. In the case of foreign body corporate etc., all documents must be attested by the Counsel General of Pakistan having jurisdiction over the member. Ballot Paper Form has also been placed on the website of the Company at www.sibl.com.pk. Members may download the Ballot Paper from the website or use an original/photocopy published in newspapers. 		
		Date: _____
Shareholder/Proxy holder Signature/Authorized Signatory (In case of corporate entity, please affix company stamp)		

REVIEW REPORT BY THE CHAIRMAN ON BOARD'S OVERALL PERFORMANCE

I am pleased to present this review report to the stakeholders of Security Investment Bank Limited (“Company” / “SIB”) highlighting the Company's overall performance, our Board of Directors (the “Board”) and the effectiveness of the role played by the Board in achieving the Company's objectives. The annual report of the Company for the year ended December 31, 2025 contains the financial and other information and disclosures as required under the applicable law.

During the year, the Board and its Committees convened regularly to ensure thorough oversight of key matters. The Board's active engagement with the management, coupled with its strategic oversight and sound capital allocation have driven better decision-making, optimized resource utilization, and strengthened financial discipline. These efforts have been instrumental in aligning the business strategies with our commitment to sustainable growth and value creation

We are committed to maintaining a strong internal control system to ensure effective operations, reliable financial reporting, and full compliance with laws and regulations. Following a thorough evaluation, including input from the audit committee, the Board is satisfied with the system's robustness and remains committed to its continuous improvement to safeguard the stakeholder interests. Further, the Board has maintained its focus on sustainability risks and opportunities, placing a strong emphasis on environmental, social, and governance (ESG) principles.

The Board will maintain its vital role in shaping the Company's direction, fostering its achievements and efficiency, and guiding the management to conduct operations in alignment with Board-approved strategies while adhering to the tenets of sound corporate governance.

On behalf of SIB, I extend my gratitude to the management team, our dedicated employees, our regulator and our valued shareholders and others, for their trust, support, and unwavering commitment to the Company

We look forward to future success in the Company's endeavours.

Haji Jan Muhammad
Chairman of the Board

Karachi: March 30, 2026

DIRECTORS' REPORT TO THE SHAREHOLDERS

The Directors of Security Investment Bank Limited (the "Company") are pleased to present the Annual Report along with the Audited Financial Statements and Auditor's Report thereon for the year ended December 31, 2025.

Economic Overview

Pakistan's economy shown encouraging signs of recovery in FY-2025, with real GDP expanding by 2.7%. This recovery reflects the effects of strong macroeconomic management, renewed investors confidence and continued support under the IMF's Extended Fund Facility. Inflation declined sharply compared to previous financial year. On the fiscal front, the government recorded a historic primary surplus of GDP during the first two quarters of FY-2025. However, the overall fiscal deficit stood at 6.2% of GDP.

The external sector rebounded impressively; posting a current account surplus of USD 1.9 billion, this turnaround supported by record high remittances, increase in exports. Despite a widening trade deficit of USD 21.3 billion due to higher imports.

The government also initiated pension reforms, transitioning toward a contributory system to address the growing fiscal burden of unfunded pension liabilities. These reforms would enhance long-term fiscal sustainability by reducing pension-related expenditures.

The outlook for Pakistan's economy in 2026 is cautiously optimistic, with several positive indicators Stable Inflation, Strong Growth, Resilient Agriculture, Robust Remittances, Strong Stock Market and potential for growth. However, the outlook is not without challenges like, inflation, rising debt, energy shortage and water scarcity continue to create pressure on the economy. This may depends on how effectively the government can manage these challenges while leveraging the positive trends.

SBP, Monetary Policy Committee (Committee) reviewed its policy frequently to take appropriate action towards supporting growth, financial stability and fiscal adjustments. The Committee keeping the view of overall economic situation and inflation declined, cutting the continuing policy rate. This shift helped lower borrowing costs and created favourable conditions for an economic revival. However, the SBP committee in its last meeting held on January 26, 2026, remain the policy rate unchanged to 10.50%.

In the context of improved macroeconomic stability, the capital market registered rising trend during the year under review. The PSX-100 index registered 174473 points at the closing of the year 2025 as compared to 115126 of the preceding year. These gains bolstered by successful IMF reviews and Fitch's credit rating upgrade to B- with a stable outlook.

Financial Performance

The key financial result achieved during the year presented as under:

(Rupees in million)

Operating Results	Year	
	2025	2024
Total income	113	139
Total expenditure	82	56
Profit from operation	31	83
Un-realized gain / (loss) on re-measurement of shares	4	5
Profit / (loss) before tax	35	88
Taxation	(15)	(11)
Earnings per share	0.338	1.309

Market Risk

The Bank's activities expose it to a variety of market risks (in addition to liquidity and credit risks). Market risk with respect to the bank's activities include interest rate risk, currency risk and other price risk.

Interest Rate Risk

Interest rate risk arises from the possibility when changes in interest rate affect the value of financial instruments. The Bank is exposed to interest rate risk as a result of mismatches or gaps in the amounts of assets and liabilities that mature or re-price in a given period. The Bank manages this risk by matching the re-pricing of assets and liabilities.

Corporate Governance

The Board of Directors of the Company (the "Board") regularly reviews the strategic direction, business plans and performance in the light of the Company's overall objectives. The Board is committed to maintain the high standards of good corporate governance. The Company is complying with the provisions set out by the Regulator and the listing rules of the Stock Exchanges.

As required under the Code of Corporate Governance, the Board would like to confirm that:

- The financial statements, prepared by the management of the Company, present fairly its state of affairs, the results of its operations, cash flows and changes in equity.
- Proper books of account of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in the preparation of the financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any departure therefrom has been adequately disclosed.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There are no significant doubts upon the Company's ability to continue as a going concern.
- There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.
- The directors are not entitled any remuneration except meeting fee and any increase in meeting fees approved by the board of directors in their meeting and ratify it in upcoming meeting of shareholders."
- The executive director/Chief Executive Officer is entitled remuneration approved by the board of directors in their meeting and ratifies it in upcoming meeting of shareholders."
- In compliance to the Code of Corporate Governance, in respect of Director's Training Program for majority of its Directors so as to acquaint them with the regulations, applicable laws, their duties and responsibilities.
- Key operating and financial data of six years of the Company are as follows:

(Rupees in million)

Description	YEAR					
	2025	2024	2023	2022	2021	2020
Shareholder's Equity	784	839	788	708	741	716
Short Term Financing	64	109	109	120	45	54
Investments	516	504	477	310	447	438
Total Assets	912	917	836	731	752	735
Total Revenue / Income	113	139	126	49	76	41
Total Expenses	82	56	38	33	34	32
Operating Profit / (Loss)	31	88	122	(52)	29	90
Net Profit / (Loss)	20	77	80	(33)	25	77
Dividend / Bonus	–	15%	5+15%	–	–	–
EPS	0.338	1.309	1.349	(0.643)	0.488	1.503

Value of Provident Fund Investment

As on December 31, 2025 the value of investment of Provident Fund was Rs. Nil (2024: Rs. Nil).

Pattern of Shareholding

The pattern of shareholding as at December 31, 2025 along with the disclosure required under the Code of Corporate Governance, 2020 annexed to the report.

Changes in the Board

During the year under review, fresh election for the Company's Board of Directors held on June 30, 2025, and all relevant requirement of the Code of Corporate Governance Regulations, 2019 have been complied.

Board & Audit Committee Meetings and Attendance

During the year ended December 31, 2025, four Board of Directors; four Audit Committee and one Human Resources and Remuneration Committee (HR & R) meetings were held. Attendance of each director is as follows:

Name	Independent Non-Independent	Executive/ Non-Executive Director	Board of Directors	Audit Committee	HR & R Committee
Haji Jan Muhammad	Non-Independent	Non-Executive	3	1	Not Applicable
Muhammad Mahboob	Non-Independent	Non-Executive	4	4	1
Zillay Huma Khan	Non-Independent	Non-Executive	4	Not Applicable	1
Muhammad Bilal Chaudhry	Independent	Non-Executive	4	2	–
Ghazzanfar Ahsan	Independent	Non-Executive	2	Not Applicable	Not Applicable
Salman Arshad	Independent	Non-Executive	2	2	–
Saleem Jessani	Independent	Non-Executive	2	2	Not Applicable
Faisal Zahid	Independent	Non-Executive	2	2	1
Farrukh Siddiqui	Independent	Non-Executive	2	2	Not Applicable
Shaukat Zamani	Independent	Non-Executive	–	Not Applicable	Not Applicable
Zafar M. Shaikh	Non-Independent	Executive	2	Not Applicable	1

Leave of absence granted to members who did not attend the Board and Committee Meetings.

Audit Committee

The Audit Committee of the Board continued to perform its duties and responsibilities in an effective manner as per its terms of reference duly approved by the Board. The committee compositions attached with this report.

Trading in Shares of the Company by Directors and Executives

During the year, the Directors, CEO, CFO, Company Secretary and Head of Internal Audit and their spouses and minor children did not carry out any transaction in the shares of the Company.

Ethics and Business Practices

As per the Corporate Governance guidelines, the Company has circulated a "Code of Ethics" for compliance. All directors and employees of the Company acknowledging their understanding and acceptance of the Code by signing.

Directors' Training Program

Details provided in Statement of Compliance.

Earnings Per Share

Earning per share of the Company was Rs.0.338 for the year ended December 31, 2025 (2024: Rs.1.309).

Dividend

No dividend declared for the year ended December 31, 2025 in the Board meeting held on March 30, 2026.

Future Outlook

Your company's management is endeavouring to improve the company's business specifically focus to enhance our car/consumer/ corporate financing portfolio under Shariah compliant to enhance profitability and return for shareholders as well. Further, the Management reviewing various business options within the NBFC Regulatory framework.

Gender Diversity and Pay Gap

The Company is an equal opportunity employer and believes in gender diversity and inclusiveness. It ensured that no employee is discriminated on the grounds of his or her race, nationality, ethnic/social origin, religious or political beliefs, age, gender, marital status or disability. The Company has cadre wise minimum pay scales approved by the respective authorities. The salary of employees may vary based on performance and length of service

Following is gender pay gap calculated for the year ended December 31, 2025.

Mean Gender Pay Gap:	82%
Median Gender Pay Gap:	55%

Any other data / details as deemed relevant: NIL

Related Party Transaction

In order to comply with the requirements of listing regulations, the Company has presented all related party transactions before the Audit Committee and Board for their review and approval. The Audit Committee and Board have approved these transactions in their respective meetings.

Auditors

The present auditors Muniff Ziauddin & Co., Chartered Accountants retire and being eligible have offered themselves for re-appointment.

Acknowledgement

We, the directors of SIBL, are grateful to the Regulator, Stock Exchanges for their cooperation and support. We do acknowledge and are thankful to our shareholders for their support and cooperation. We also acknowledge and are thankful for the untiring efforts of the management and staff.

On behalf of the Board

Haji Jan Muhammad
Director

Zafar M Sheikh
Chief Executive Officer

Karachi: March 30, 2026

فی شیئر آمدنی:

31 دسمبر 2025 کو ختم ہونے والے سال کے لئے کمپنی کے فی حصص آمدنی 0.338 روپے تھی۔ (2024: قیمت 1.309 روپے)۔

منافع منقسمہ:

31 دسمبر 2025 کو ختم ہونے والے سال کے لئے 30 مارچ 2026 کو منعقدہ بورڈ مینٹگ میں کسی بھی قسم کے منافع منقسمہ کا اعلان نہیں کیا گیا۔

مستقبل کا نقطہ نظر:

آپ کی کمپنی کی انتظامیہ کمپنی کے کاروبار کو بہتر بنانے کی کوشش کر رہی ہے خاص طور پر ہماری کار/کنزرویور/کارپوریٹ فناننگ پورٹ فولیو کو بڑھانے پر مرکوز ہے تاکہ منافع میں اضافہ ہو اور حصص یافتگان کے لئے بھی واپسی ہومزید یہ کہ انتظامیہ NBFC ریگولیٹری فریم ورک کے اندر مختلف کاروباری اختیارات کا جائزہ لے رہی ہے۔

صنعتی تنوع اور تنخواہ کا فرق:

کمپنی ایک مساوی مواقع آجر ہے اور صنعتی تنوع اور جامعیت پر یقین رکھتی ہے۔ اس نے اس بات کو یقینی بنایا کہ کسی بھی ملازم کے ساتھ اس کی نسل، قومیت، نسلی/سماجی اصل، مذہبی یا سیاسی عقائد، عمر، جنس، ازدواجی حیثیت یا معذوری کی بنیاد پر امتیازی سلوک نہ کیا جائے۔ کمپنی کے پاس کیڈر کے مطابق کم از کم تنخواہ کے اسکیل ہیں جو متعلقہ حکام سے منظور شدہ ہیں۔ ملازمین کی تنخواہ کارکردگی اور سروس کی لمبائی کی بنیاد پر مختلف ہو سکتی ہے۔

31 دسمبر 2025 کو ختم ہونے والے سال کے لئے صنعتی تنخواہ کے فرق کا حساب درج ذیل ہے:

اوسط صنعتی تنخواہ کا فرق: 82 فیصد

اوسط صنعتی تنخواہ کا فرق: 55 فیصد

کوئی دوسرا ڈیٹا/تفصیلات جیسا کہ متعلقہ سمجھا جاتا ہے۔ صفر

متعلقہ پارٹی لین دین:

فہرست سازی کے ضوابط کے تقاضوں کی تعمیل کرنے کیلئے، کمپنی نے تمام متعلقہ فریقین کے لین دین کو ان کے جائزے اور منظور کیلئے آڈٹ کمیٹی اور بورڈ کے سامنے پیش کیا ہے۔ آڈٹ کمیٹی اور بورڈ کے سامنے پیش کیا ہے۔ آڈٹ کمیٹی اور بورڈ نے اپنے اپنے اجلاسوں میں ان کے لین دین کی منظوری ہے۔

آڈیٹرز:

موجودہ آڈیٹرز منصف ضیاء الدین اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس ریٹائر ہو رہے ہیں اور اہل ہونے کی وجہ سے خود کو دوبارہ تقرری کے لئے پیش کر چکے ہیں۔

اعتراف

ہم SIBL کے ڈائریکٹرز، ریگولیٹرز، اسٹاک ایکسچینج کے تعاون کے لئے شکرگزار ہیں۔ ہم اپنے حصص یافتگان کے تعاون کو تسلیم کرتے ہیں اور ان کے شکرگزار ہیں۔ ہم انتظامیہ اور عملے کی انتھک کوششوں کو بھی تسلیم کرتے ہیں اور ان کے شکرگزار ہیں۔

بورڈ کی جانب سے

ظفر ایم شیخ
چیف ایگزیکٹو آفیسر

حاتی جان محمد
ڈائریکٹر

کراچی: 30 مارچ 2026

پراویڈنٹ فنڈ کی سرمایہ کاری کی قدر:

31 دسمبر 2025 تک پراویڈنٹ فنڈ کی سرمایہ کاری کی قیمت صفر روپے تھی۔ (2024: صفر روپے)

شیئر ہولڈنگ کا نمونہ:

کوڈ آف کارپوریٹ گورننس، 2020 کے تحت مطلوبہ انکشاف کے ساتھ 31 دسمبر 2025 تک شیئر ہولڈنگ کا نمونہ رپورٹ کے ساتھ منسلک ہے۔

بورڈ میں تبدیلیاں:

زیر جائزہ سال کے دوران کمپنی کے بورڈ آف ڈائریکٹرز کے انتخابات 30 جون 2025 کو منعقد ہوئے، اور کوڈ آف کارپوریٹ گورننس ریگولیشنز، 2019 کے تمام متعلقہ تقاضوں کی مکمل تعمیل کی گئی۔

بورڈ اور آڈٹ کمیٹی کے اجلاس اور حاضری:

31 دسمبر 2025 کو ختم ہونے والے سال کے دوران، چار بورڈ آف ڈائریکٹرز؛ چار آڈٹ کمیٹی اور ایک ہیومن ریسورس اینڈ ریویژن کمیٹی (R & HR) کے اجلاس منعقد ہوئے۔ ہر ڈائریکٹر کی حاضری حسب ذیل ہے:

Name	Independent Non-Independent	Executive/ Non-Executive Director	Board of Directors	Audit Committee	HR & R Committee
Haji Jan Muhammad	Non-Independent	Non-Executive	3	1	Not Applicable
Muhammad Mahboob	Non-Independent	Non-Executive	4	4	1
Zillay Huma Khan	Non-Independent	Non-Executive	4	Not Applicable	1
Muhammad Bilal Chaudhry	Independent	Non-Executive	4	2	–
Ghazzanfar Ahsan	Independent	Non-Executive	2	Not Applicable	Not Applicable
Salman Arshad	Independent	Non-Executive	2	2	–
Saleem Jessani	Independent	Non-Executive	2	2	Not Applicable
Faisal Zahid	Independent	Non-Executive	2	2	1
Farrukh Siddiqui	Independent	Non-Executive	2	2	Not Applicable
Shaukat Zamani	Independent	Non-Executive	–	Not Applicable	Not Applicable
Zafar M. Shaikh	Non-Independent	Executive	2	Not Applicable	1

بورڈ اور کمیٹی کے اجلاسوں میں شرکت نہ کرنے والے اراکین کو غیر حاضری کی چھٹی دی گئی۔

آڈٹ کمیٹی:

بورڈ کی آڈٹ کمیٹی نے اپنے فرائض اور ذمہ داریوں کو بورڈ کی طرف سے منظور شدہ شرائط کے مطابق موثر انداز میں ادا کرنے جاری رکھا۔ کمیٹی کی ترکیبیں اس رپورٹ کے ساتھ منسلک ہیں۔

ڈائریکٹرز اور ایگزیکٹوز کے ذریعے کمپنی کے حصص کی تجارت:

سال کے دوران، ڈائریکٹرز، سی ای او، سی ایف او، کمپنی سیکریٹری اور ہیڈ آف انٹرنل آڈٹ اور ان کی شریک حیات اور نابالغ بچوں نے کمپنی کے شیئرز میں کوئی لین دین نہیں کیا۔

اخلاقیات اور کاروباری طریقہ عمل:

کارپوریٹ گورننس کے رہنما خطوط کے مطابق، کمپنی نے تعمیل کے لئے ایک ”ضابطہ اخلاق“ جاری کیا ہے۔ کمپنی کے تمام ڈائریکٹرز اور ملازمین دستخط کر کے ضابطہ کی اپنی سمجھ اور قبولیت کو تسلیم کرتے ہیں۔

ڈائریکٹرز کا تریبیتی پروگرام:

تعمیل کے بیان میں تفصیلات فراہم کی گئی ہیں۔

شرح سود کا خطرہ

شرح سود کا خطرہ اس امکان سے پیدا ہوتا ہے جب شرح سود میں تبدیلی مالیاتی آلات کی قدر کو متاثر کرتی ہے۔ اثاثوں اور واجبات کی مقدار میں عدم مماثلت یا فرق کے نتیجے میں بینک سود کی شرح کے خطرے سے دوچار ہے جو ایک مقررہ مدت میں پختہ یا دوبارہ قیمتوں کو ملا کر اس خطرے کا انتظام کرتا ہے۔

کارپوریٹ گورننس:

کمپنی کا بورڈ آف ڈائریکٹرز (بورڈ) کمپنی کے مجموعی مقاصد کی روشنی میں اسٹریٹجک سمت، کاروباری منصوبوں اور کارکردگی کا باقاعدگی سے جائزہ لیتا ہے۔ بورڈ اچھی کارپوریٹ گورننس کے اعلیٰ معیارات کو برقرار رکھنے کے لئے پرعزم ہے۔ کمپنی ریگولیٹری طرف سے مقرر کردہ دفعات اور اسٹاک ایکسچینج کی فہرست سازی کے قوانین کی تعمیل کر رہی ہے۔

جیسا کہ ڈوڈ آف کارپوریٹ گورننس کے تحت ضروری ہے، بورڈ اس بات کی تصدیق کرنا چاہے گا کہ:

- مالیاتی بیانات، جو کمپنی کی انتظامیہ کے ذریعے تیار کئے گئے ہیں، اس کی حالت اس کے کاموں کے نتائج، نقد بہاؤ اور ایکویٹی میں ہونے والی تبدیلیوں کو پیش کرتے ہیں؛
- کمپنی کے حساب کتاب کی مناسب دیکھ بھال کی گئی ہے؛
- مالیاتی بیانات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کا مسلسل اطلاق کیا گیا ہے، اور اکاؤنٹنگ کے تخمینے معقول اور دانشمندانہ فیصلے پر مبنی ہیں؛
- بین الاقوامی مالیاتی رپورٹنگ کے معیارات، جیسا کہ پاکستان میں لاگو ہوتا ہے، مالیاتی گوشواروں کی تیاری میں بیرونی کی گئی ہے اور وہاں سے کسی بھی رواں گئی کا مناسب طور پر انکشاف کیا گیا ہے؛
- اندرونی کنٹرول کا نظام ڈیزائن میں درست ہے اور اسے موثر طریقے سے لاگو کیا گیا ہے اور اس کی نگرانی کی گئی ہے؛
- ایک جاری توثیق کے طور پر جاری رکھنے کی کمپنی کی صلاحیت پر کوئی خاص شک نہیں ہے؛
- کارپوریٹ گورننس کے بہترین طریقوں سے کوئی مادی رخصتی نہیں ہوئی ہے، جیسا کہ فہرست سازی کے ضوابط میں تفصیل ہے؛
- ڈائریکٹرز نے مینٹنگ فیس اور مینٹنگ فیس میں کسی اضافے کے علاوہ کسی بھی معاوضے کے حقدار نہیں ہیں جو ان کی مینٹنگ میں بورڈ آف ڈائریکٹرز کی طرف سے منظور کئے گئے اور شیئر ہولڈرز کے آئندہ مینٹنگ میں اس کی توثیق کریں۔
- ایگزیکٹو ڈائریکٹر/چیف ایگزیکٹو آفیسر ان معاوضے کا حقدار ہے جیسے بورڈ آف ڈائریکٹرز نے ان کی مینٹنگ میں منظور کیا اور شیئر ہولڈرز کی آئندہ مینٹنگ میں اس کی توثیق کی۔
- کوڈ آف کارپوریٹ گورننس کی تعمیل میں، اس کے زیادہ تر ڈائریکٹرز کیلئے ڈائریکٹرز کے تربیتی پروگرام کے سلسلے میں تاکہ انہیں ضوابط، قابل اطلاق قوانین، ان کے فرائض اور ذمہ داریوں سے واقف کرایا جاسکے۔
- کمپنی کے چھ سالوں کا کلیدی آپریٹنگ اور مالیاتی ڈیٹا درج ذیل ہے:

(Rupees in million)

Description	YEAR					
	2025	2024	2023	2022	2021	2020
Shareholder's Equity	784	839	788	708	741	716
Short Term Financing	64	109	109	120	45	54
Investments	516	504	477	310	447	438
Total Assets	912	917	836	731	752	735
Total Revenue / Income	113	139	126	49	76	41
Total Expenses	82	56	38	33	34	32
Operating Profit / (Loss)	31	88	122	(52)	29	90
Net Profit / (Loss)	20	77	80	(33)	25	77
Dividend / Bonus	–	15%	5+15%	–	–	–
EPS	0.338	1.309	1.349	(0.643)	0.488	1.503

ڈائریکٹرز رپورٹ برائے حصص دار

سیکیورٹی انویسٹمنٹ بینک لمیٹڈ کے ڈائریکٹرز (کمپنی) 31 دسمبر 2025 کو ختم ہونے والے سال کے لئے آڈٹ شدہ مالیاتی بیانات اور اس پر آڈیٹر کی رپورٹ کے ساتھ سالانہ رپورٹ پیش کرتے ہوئے خوش ہیں۔

معاشی جائزہ:

مالی سال 2025 کے دوران پاکستان کی معیشت میں بحالی کے حوصلہ افزا آثار سامنے آئے، جہاں حقیقی جی ڈی پی کی شرح نمو 2.7 فیصد رہی۔ یہ بحالی مضبوط میکرو اکنامک نظم و نسق، سرمایہ کاروں کے اعتماد کی بحالی اور آئی ایم ایف کے ایکٹیو ڈیفنڈ فیسلٹی کے تحت مسلسل تعاون کا مظہر ہے۔ گزشتہ مالی سال کے مقابلے میں افراط زر میں نمایاں کمی ریکارڈ کی گئی۔ مالیاتی محاذ پر، حکومت نے مالی سال 2025 کی پہلی 2 سہ ماہیوں میں جی ڈی پی کے تناسب سے تاریخی پرائمری سرپلس حاصل کیا، تاہم مجموعی مالیاتی خسارہ جی ڈی پی کے 6.2 فیصد پر برقرار رہا۔

بیرونی شعبے نے نمایاں بحالی دکھائی اور 1.9 بلین امریکی ڈالر کا کرنٹ اکاؤنٹ سرپلس ریکارڈ کیا۔ اس بہتری کی بنیاد ریکارڈ سطح کی ترسیلات زراور برآمدات میں اضافے پر رہی، اگرچہ درآمدات میں اضافے کے باعث تجارتی خسارہ 21.3 بلین امریکی ڈالر تک وسیع ہو گیا۔

حکومت نے پنشن اصلاحات کا آغاز بھی کیا، جن کے تحت غیر فنڈڈ پنشن واجبات کے بڑھتے ہوئے مالی بوجھ سے نمٹنے کیلئے کنٹری بیوٹری نظام کی جانب منتقلی کی جارہی ہے۔ یہ اصلاحات پنشن سے متعلق اخراجات میں کمی کے ذریعے طویل مدتی مالیاتی پائیداری کو بہتر بنائیں گی۔

سال 2026 کے لیے پاکستان کی معیشت کا مظہر نامتناہی انداز میں مثبت ہے، جہاں متعدد مثبت اشاریے سامنے آئے ہیں جن میں مستحکم افراط زر، مضبوط معاشی نمو، مستحکم زرعی شعبہ، مضبوط ترسیلات زر، مستحکم اسٹاک مارکیٹ اور مزید ترقی کے امکانات شامل ہیں۔ تاہم، مہنگائی، بڑھتا ہوا قرضہ، توانائی کی قلت اور پانی کی کمی جیسے چیلنجز بدستور معیشت پر دباؤ ڈال رہے ہیں۔ مستقبل کا انحصار اس بات پر ہے کہ حکومت ان چیلنجز سے کس حد تک موثر انداز میں نمٹتے ہوئے مثبت رجحانات سے فائدہ اٹھا سکتی ہے۔

اسٹیٹ بینک آف پاکستان کی مانیٹری پالیسی کمیٹی (کمٹی) نے معاشی نمو، مالیاتی استحکام اور مالیاتی ایڈجسٹمنٹ کے اہداف کے حصول کے لیے اپنی پالیسی کا باقاعدگی سے جائزہ لیا اور مناسب اقدامات کیے۔ مجموعی معاشی صورتحال اور افراط زر میں کمی کو مد نظر رکھتے ہوئے کمیٹی نے پالیسی ریٹ میں مسلسل کمی کی، جس سے قرض لینے کی لاگت کم ہوئی اور معاشی بحالی کے لیے سازگار حالات پیدا ہوئے۔ تاہم، 26 جنوری 2026 کو ہونے والی اپنے آخری میٹنگ میں SBP کمیٹی نے پالیسی ریٹ کو 10.50 فیصد پر برقرار رکھا۔

بہتر ہوتے ہوئے میکرو اکنامک استحکام کے تناظر میں، زیر جائزہ سال کے دوران کیپٹل مارکیٹ میں اضافہ دیکھنے میں آیا۔ سال 2025 کے اختتام پر PSX-100 انڈیکس 174473 پوائنٹس پر بند ہوا، جبکہ گزشتہ سال یہ 115126 پوائنٹس تھا۔ اس بہتری میں آئی ایم ایف کے کامیاب جائزوں اور بیج کی جانب سے کریڈٹ ریٹنگ کو مستحکم آؤٹ لک کے ساتھ B تک بڑھانے کا اہم کردار رہا۔

مالیاتی کارکردگی:

سال کے دوران حاصل کردہ کلیدی مالیاتی نتائج ذیل میں پیش کئے گئے:

(Rupees in million)

Operating Results	Year	
	2025	2024
Total income	113	139
Total expenditure	82	56
Profit from operation	31	83
Un-realized gain / (loss) on re-measurement of shares	4	5
Profit / (loss) before tax	35	88
Taxation	(15)	(11)
Earnings per share	0.338	1.309

مارکیٹ کا خطرہ:

بینک کی سرگرمیاں اسے مارکیٹ کے مختلف خطرات (لیکوئٹی اور کریڈٹ کے خطرات کے علاوہ) سے بے نقاب کرتی ہیں۔ بینک کی سرگرمیوں کے حوالے سے مارکیٹ کے خطرے میں شرح سود کا خطرہ، کرنسی کا خطرہ اور قیمت کے دیگر خطرات شامل ہیں۔

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

The company has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 in the following manner:

- The total number of directors during the year 2025 are 8 as per the following:

CATEGORY		NUMBER OF DIRECTRS
a	Male Director*	7
b	Female Director	1

* including the President & CEO who is an Executive Director

- The composition of the Board as at December 31, 2025 is as follows:

CATEGORY	NAME
Non-Executive Director	Mr. Haji Jan Muhammad
	Mr. Muhammad Mehboob
	Mrs. Zillay Huma Khan
Independent Director	Mr. Ghazzanfar Ahsan
	Syed Zafar Hasan Reza
	Mr. Muhammad Bilal Chaudhry
	Mr. Saleem Jessani
President & CEO	Mr. Zafar M Sheikh

** Further, during the year under review, fresh election for the Company's Board of Directors was held on June 30, 2025, and all relevant requirement of the Code of Corporate Governance Regulations 2019 have been complied with. Further, during the year under review, Syed Zafar Hasan Reza replaced with the outgoing director Mr. Salman Arshad effective from November 17, 2025 to fill the casual vacancy.

- The Directors have confirmed that none of them is serving as a director on more than seven (7) listed companies, including Securities Investment Bank Limited (excluding the listed subsidiaries of listed holding companies where applicable).
- The Company has prepared a "Code of Conduct" and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.
- The Board has approved a vision/mission statement, overall corporate strategy and significant policies of the company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
- All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by board/ shareholders as empowered by the relevant provisions of the Companies Act, 2017 and these Regulations.
- The meetings of the Board presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of board.
- The Board of Directors has a formal policy and transparent procedures for remuneration of directors in accordance with the Companies Act, 2017 and these Regulations.

9. The Board has not arranged any training program for its directors during the year. Please note two out of the seven directors namely Mr. Muhammad Mehboob and Syed Zafar Hasan Reza have already obtained certification under the Director's Training Program and Chairman of the Board namely Mr. Haji Jan Muhammad is exempt from Director's Training Program as per criteria prescribed in the said regulation. The Board is committed to compliance with corporate governance regulations and plans fulfillment of the Director's Training Program in upcoming year.
10. The Board has approved the Appointment of the Chief Financial Officer and the Company Secretary, Auditor including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.
11. The financial statements of the company were duly endorsed by Chief Executive Office and Chief Financial Officer before approval of the Board.
12. The Board formulated the following committees comprising of the members in its first board meeting held on August 27, 2025 after completion of election process, which was held on June 30, 2025:

AUDIT COMMITTEE	
Name	Designation
Syed Zafar Hasan Reza	Chairman
Mr. Saleem Jessani	Member
Mr. Muhammad Mehboob	Member
Mr. Muhammad Bilal Chaudhry	Member
HR & REMUNERATION COMMITTEE	
Mr. Muhammad Bilal Chaudhry	Chairman
Mr. Muhammad Mehboob	Member
Mr. Zafar M. Sheikh	Member
Syed Zafar Hasan Reza	Member
RISK MANAGEMENT COMMITTEE	
Mr. Ghazzanfar Ahsan	Chairman
Mr. Muhammad Mehboob	Member
Syed Zafar Hasan Reza	Member
Mr. Zafar M Sheikh	Member

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
14. The frequency of meetings of the committee were as per following:

MEETINGS	FREQUENCY
Audit Committee	Four quarterly meetings were held during the year ended December 31, 2025
HR & Remuneration Committee	One meeting was held during the year ended December 31, 2025

15. The Board has setup an effective internal audit function/managed by suitably qualified and experienced personnel who are conversant with the policies and procedures of the Company. Mr. Naveed Jamal appointed as Head Internal Audit with effect from 26 January 2026 to fill the vacancy which was vacant due to ceasing office of the Head of Audit.
16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP and are registered with the Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guide lines on code of ethics as adopted by the ICAP and that the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the CEO, CFO, head of internal audit, company secretary or director of the company;
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;
18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.
19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below:

REG.	EXPLANATION
10A (1)(3)(4)	The Board will ensure that the Company has addressed sustainability-related risk and opportunities. Also, it will ensure that Company's sustainability and DE&I related strategies are periodically reviewed and monitored in future.
10A (5)	Currently, the Board has not constituted a separate Sustainability Committee and the functions will be performed by the Board Audit Committee.
24	Same person holds office of chief financial officer and the company secretary of the company as the company is not operating sufficiently yet and the company believes that there is no need of separate person for both positions.

Haji Jan Muhammad
Chairman

Zafar M Sheikh
CEO

Date: 30 March 2026

SHARIAH REVIEW REPORT FOR BOARD OF DIRECTORS

(For the Year Ended: 31 December 2025)

Introduction

In accordance with the Shariah Governance Regulations, 2023 issued by the Securities and Exchange Commission of Pakistan (SECP), I have conducted the Shariah Review of the business activities, financial transactions, and operational processes of Security Investment Bank Limited (SIBL) for the period from January 01, 2025, to December 31, 2025.

The primary objective of this review is to form an opinion on the bank's overall Shariah compliance environment and to ensure that all executed transactions are in line with the Shariah principles and guidelines approved by the Shariah Advisor.

Management Responsibility

The responsibility for ensuring Shariah compliance in all aspects of the bank's operations, including the design and implementation of internal controls, lies with the Management and the Board of Directors. My responsibility is to express an opinion on the level of compliance based on the review of evidence and documentation provided.

Shariah Review Procedures

During the year under review, the following procedures were performed:

- Review of Islamic financing contracts (Murabaha, Ijarah, Diminishing Musharakah) to ensure proper asset identification and sequence of execution.
- Evaluation of the investment portfolio to check compliance with Shariah-compliant asset classes.
- Assessment of staff training programs conducted for Islamic finance capacity building.

Significant Observations and Findings

Growth in Islamic Finance & Training It is heartening to observe that SIBL has achieved significant milestones in staff capacity building. The majority of employees have completed structured Islamic banking training, which has noticeably reduced dependency on conventional banking mindsets and improved the operational execution of Shariah-compliant transactions.

Financing Activities (Murabaha, Ijarah & Diminishing Musharakah) The review of Islamic financing transactions confirms that the underlying assets, purchase invoices, and documentation wording are generally in compliance with Shariah guidelines. The sequence of ownership transfer and risk-taking was found satisfactory.

Transition from Conventional Business There is a visible reduction in conventional business volumes. This trend reflects the Board's commitment to phase out interest-based activities. However, a formalized "Time-Bound Conversion Plan" is recommended to transition the remaining legacy portfolio.

Investment Concerns (Treasury Bills) A significant increase in Treasury Bill investments was noted. As Treasury Bills are interest-bearing instruments and do not conform to Shariah standards for NBFCs, this remains a critical area of concern.

Charity Fund and Income Purification (Note: As per SECP regulations, any late payment charges or non-compliant income must be transferred to a Charity Fund). It will be ensured that any amount realized from non-compliant sources or late payment penalties has been earmarked for the Charity Fund for onward distribution to Shariah-eligible beneficiaries. SIBL should open a Charity Fund account to fulfill the SECP compliance.

Shariah Advisor's Opinion

Based on the review conducted, I am of the opinion that:

1. SIBL have financing products (Murabaha, Ijarah & Diminishing Musharakah) are complied with Shariah principles and the Shariah Advisor's guidelines during the year 2025.
2. The management has shown a proactive approach toward strengthening the Shariah Governance Framework.
3. The financing transactions reviewed were executed in a Shariah-compliant manner.

Key Recommendations

To further enhance the Shariah Compliance status of SIBL, the following is recommended:

- Sukuk Transition: All investments in Treasury Bills should be immediately transitioned into Shariah-compliant Sukuk structures or other Shariah-eligible instruments to eliminate Riba exposure.
- Conversion Strategy: All remaining conventional elements should be eliminated or transferred to Shariah Compliance ASAP.
- System Automation: Enhance the core banking system to better support Shariah-compliant product workflows.
- Advanced Training: Initiate specialized training for the Credit and Treasury teams on complex Shariah structures and liquidity management by recognized institutions.

Conclusion

May Allah (SWT) grant us the strength to remain steadfast in our pursuit of a Riba-free financial system and forgive any unintended shortcomings. Ameen.

Ghaffar Ahmed

Shariah Advisor

Security Investment Bank Limited (SIBL)

Date: 17-March-2026

Place: Karachi, Pakistan

REVIEW REPORT ON THE STATEMENT OF COMPLIANCE CONTAINED IN LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of SECURITY INVESTMENT BANK LIMITED (the Company) for the year ended December 31, 2025 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of financial statements, we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Director's statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

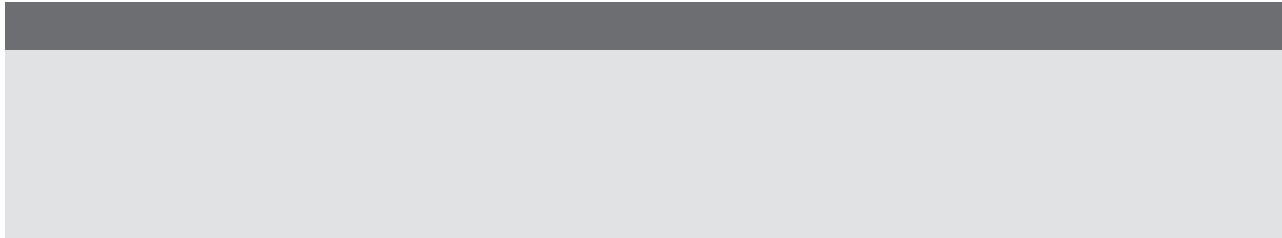
The Regulations requires the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Following instances of non-compliance with the requirements of the Regulations were observed which are not appropriately stated in the Statement of Compliance:

Regulation Reference	Description
18	The Company has not complied with the requirement to provide orientation to its directors on relevant regulations, laws, and their responsibilities.

Based on our review, except for the above instances of non-compliance, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the Regulations as applicable to the Company for the year ended December 31, 2025.

Further, we highlight below instances of non-compliance with the requirements of the Regulations as reflected in the note/paragraph reference where these are stated in the Statement of Compliance:



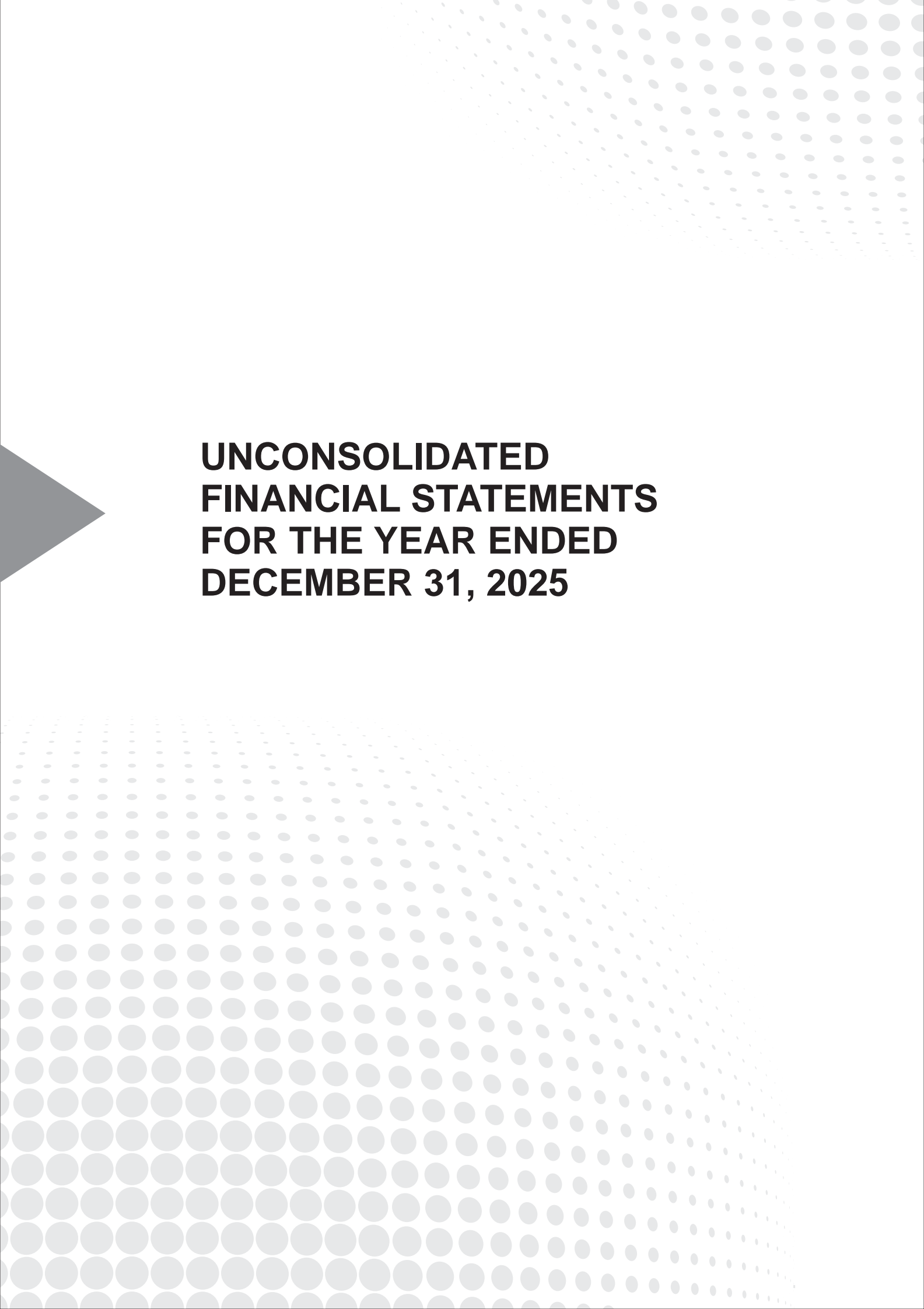
Reg.	Explanation
10A (1)(3)(4)	The Board will ensure that the Company has addressed sustainability-related risk and opportunities. Also, it will ensure that Company's sustainability and DE&I related strategies are periodically reviewed and monitored in future.
10A (5)	Currently, the Board has not constituted a separate Sustainability Committee and the functions will be performed by the Board Audit Committee.
24	Same person holds office of chief financial officer and the company secretary of the company as the company is not operating sufficiently yet and the company believes that there is no need of separate person for both positions.

Muniff Ziauddin & Co.
Chartered Accountants

Karachi

Date: 30 March 2026

UDIN: CR202510130FuX5va0ck



**UNCONSOLIDATED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2025**

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SECURITY INVESTMENT BANK LIMITED

Report on the Audit of Financial Statements

Opinion

We have audited the annexed financial statements of **Security Investment Bank Limited** (the Company), which comprise the statement of financial position as at December 31, 2025, and the statement of profit or loss, statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at December 31, 2025 and of the profit and other comprehensive income, the changes in equity and its cash flows for the period then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

S.No.	Key Audit Matter	How the matter was addressed in our audit
1	<p><u>Valuation of Investments</u></p> <p>As of December 31, 2025, the Company's investment portfolio, comprising equity and debt instruments, amounted to Rs. 515.73 million. The valuation of these investments is conducted using various techniques, as outlined in Note 17 of the financial statements. Furthermore, the movement in investment balances during the year are detailed in Notes 17.</p> <p>We have considered this as a key audit matter in view of the significance of these investments in relation to the total assets of the Company.</p>	<p>The valuation of investments was assessed by evaluating the design and implementation of key controls related to investments. We re-performed valuations to ensure that investments were carried in accordance with the valuation methodology specified in the accounting policies. Additionally, we conducted purchase and sale testing on a sample basis for trades made during the year to verify that transactions were recorded in the correct period as part of investment purchases or transfers. The existence of securities was confirmed through the Central Depository Company's report. Furthermore, we reviewed management's assessment to identify any indicators of impairment, including for securities that are not actively traded. Lastly, we assessed the adequacy of the investment-related disclosures in the financial statements.</p>

S.No.	Key Audit Matter	How the matter was addressed in our audit
2	<p><u>Contingencies</u></p> <p>The Company is subject to various appeals and reassessments pertaining to taxation which requires management to make assessment and judgements with respect to likelihood and impact of such appeals and reassessments. Management have engaged independent counsel on these matters.</p> <p>The accounting for, and disclosure of, contingencies is complex and is a matter of most significance in our audit because of the judgements required to determine the level of certainty on these matters.</p> <p>The details of contingencies along with management's assessment and the related provisions are disclosed in note 30 to the financial statements.</p>	<p>In response to this matter, our audit procedures included:</p> <p>Discussing cases with the tax department to understand the management's view point and obtaining and reviewing the documentation in order to assess the facts and circumstances.</p> <p>Obtaining independent opinion of tax advisors dealing with such cases in the form confirmations. We also evaluated the cases in line with the requirements of IAS 37: Provisions, contingent liabilities and contingent assets.</p> <p>The disclosures of exposures and provisions were assessed for completeness and accuracy.</p>

Emphasis of Matter

We draw attention to:

- Note 17.1 to the financial statements which states that the legal title of the previously acquired MCB shares on settlement of liability has not been transferred in the name of Company. Consequently, during the year the Company has reclassified the said investment as receivable from the sponsor at the fair value of shares at the date of reclassification.
- Note 13.3 and 13.4 to the financial statements which provides details regarding non-compliance with the Regulation 19(h), and Regulation 28(a) respectively of Non-Banking Finance Companies and Notified Entities Regulations, 2008.

Our opinion is not qualified in respect of these matters.

Information other than the Financial Statements and Auditors' Report thereon

Management is responsible for the other information. The other information comprises the information included in the Directors' Report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017(XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management of the Company is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors is responsible for overseeing the Investment Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management of the Company's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a. proper books of account have been kept by the Company as required by Companies Act, 2017 (XIX of 2017);
- b. the statement of financial position, the statement of profit or loss, statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account;
- c. investments made, expenditure incurred and guarantees extended during the year were for the purpose of Company's business; and
- d. Zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditor's report is Sohail Saleem.

Muniff Ziauddin & Co.

Chartered Accountants

Karachi

Date: 30 March 2026

UDIN: AR202510130pQ2EMx8GT

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2025

	Note	2025	2024
----- (Rupees) -----			
ASSETS			
NON-CURRENT ASSETS			
Fixed assets	8	149,073,342	154,224,814
Investment property	9	26,137,593	—
Ijarah assets - under financing arrangements	10	47,960,509	51,728,480
Intangible assets	11	2,628,335	2,500,000
Long term deposit		—	537,280
Deferred tax asset	12	3,704,697	10,030,722
Long term financing	13	24,905,893	41,568,718
Long term loans and advances	14	5,330,709	6,274,632
Diminishing musharaka financing	15	5,711,673	—
		265,452,751	266,864,646
CURRENT ASSETS			
Short term financing	16	—	45,000,000
Current portion of long term financing	13	30,732,760	22,541,960
Short term investments	17	515,730,039	504,084,309
Current portion of loan and advances	14	2,391,891	2,789,190
Current portion of diminishing musharaka financing	15	2,023,327	—
Deposits, prepayments and other receivables	18	21,277,845	4,577,445
Ijarah rentals receivable	19	2,774,557	67,665
Accrued interest	20	15,522,052	23,717,726
Advance income tax	21	25,058,669	34,031,945
Cash and bank balances	22	30,586,603	12,967,805
		646,097,743	649,778,045
TOTAL ASSETS		911,550,493	916,642,696
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized Share Capital			
100,000,000 (2024: 100,000,000) Ordinary shares of Rs.10/- each		1,000,000,000	1,000,000,000
Issued, subscribed and paid-up share capital	23	591,485,917	591,485,917
Statutory reserves	24	149,569,891	145,567,871
Surplus on revaluation of property	25	12,598,068	—
Unappropriated profit		29,902,392	102,445,564
		783,556,268	839,499,352
NON-CURRENT LIABILITIES			
Security deposits against Ijarah	26	14,304,434	12,670,659
Deferred income from financing	27	6,192,991	11,940,311
		20,497,425	24,610,970
CURRENT LIABILITIES			
Current portion of security deposit against Ijarah	26	570,000	—
Unclaimed dividend		28,852,079	7,598,446
Advance against property	28	69,999,993	33,333,330
Accrued and other liabilities	29	1,167,210	2,191,836
Current portion of deferred income from financing	27	6,907,518	9,408,762
		107,496,800	52,532,375
TOTAL EQUITY AND LIABILITIES		911,550,493	916,642,696
CONTINGENCIES AND COMMITMENTS	30		

The annexed notes from 1 to 49 form an integral part of these financial statements.

Shakeel Ahmed
Chief Financial Officer

Zafar M. Sheikh
Chief Executive Officer

Haji Jan Muhammad
Chairman / Director

STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED DECEMBER 31, 2025

	Note	2025	2024
----- (Rupees) -----			
Income			
Income on financing	31	50,932,713	42,272,875
Income from diminishing musharaka financing	32	53,512	—
Return on securities	33	58,955,918	78,802,240
Gain on sale of investments		255,028	14,962,290
Profit on deposit with banks		587,698	2,165,623
Other income	34	2,493,254	1,054,893
		113,278,123	139,257,921
Expenditure			
Administrative expenses	35	82,397,999	56,182,109
Operating profit before taxation		30,880,124	83,075,812
Unrealized gain on remeasurement of investments classified as fair value through profit or loss		4,334,655	5,198,685
Profit before levy and taxation		35,214,779	88,274,497
Levy	36	(2,244,344)	(2,425,496)
Profit before taxation		32,970,435	85,849,002
Taxation	36	(12,960,334)	(8,420,386)
Profit after taxation		20,010,101	77,428,616
Earnings per share - basic and diluted	37	0.338	1.309

The annexed notes from 1 to 49 form an integral part of these financial statements.

Shakeel Ahmed
Chief Financial Officer

Zafar M. Sheikh
Chief Executive Officer

Haji Jan Muhammad
Chairman / Director

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2025

	2025	2024
	----- (Rupees) -----	
Profit after taxation	20,010,101	77,428,616
Other comprehensive income for the year		
Item that will not be reclassified to profit or loss:		
Surplus on revaluation of property	17,985,498	-
Related deferred tax	(5,215,794)	-
	12,769,704	-
Total comprehensive income for the year	32,779,805	77,428,616

The annexed notes from 1 to 49 form an integral part of these financial statements.

Shakeel Ahmed
Chief Financial Officer

Zafar M. Sheikh
Chief Executive Officer

Haji Jan Muhammad
Chairman / Director

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2025

	Issued, subscribed and paid-up capital	Reserves		Surplus on revaluation of property	Total
		Statutory reserve	Unappropriated profit		
----- (Rupees) -----					
Balance as at January 01, 2024	514,335,580	207,232,485	66,219,450	–	787,787,515
Total comprehensive income for the year					
Profit for the year	–	–	77,428,616	–	77,428,616
Other comprehensive income	–	–	–	–	–
	–	–	77,428,616	–	77,428,616
Transfer to statutory reserve	–	15,485,723	(15,485,723)	–	–
Transaction with Certificate Holders					
Issuance of bonus shares	77,150,337	(77,150,337)	–	–	–
Profit distribution for the year ended June 30, 2023 at Re. 0.5 per certificate	–	–	(25,716,779)	–	(25,716,779)
Balance as at December 31, 2024	591,485,917	145,567,871	102,445,564	–	839,499,352
Total comprehensive income for the year					
Profit for the year	–	–	20,010,101	–	20,010,101
Other comprehensive income	–	–	–	12,769,704	12,769,704
	–	–	20,010,101	12,769,704	32,779,805
Transfer to statutory reserve	–	4,002,020	(4,002,020)	–	–
Transaction with Certificate Holders					
Profit distribution for the year ended June 30, 2024 at Re. 0.5 per certificate	–	–	(88,722,888)	–	(88,722,888)
Incremental depreciation relating to surplus on revaluation- net of tax	–	–	171,636	(171,636)	–
Balance as at December 31, 2025	591,485,917	149,569,891	29,902,392	12,598,068	783,556,268

The annexed notes from 1 to 49 form an integral part of these financial statements.

Shakeel Ahmed
Chief Financial Officer

Zafar M. Sheikh
Chief Executive Officer

Haji Jan Muhammad
Chairman / Director

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2025

	2025	2024
	----- (Rupees) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before levy and taxation	35,214,779	88,274,497
Adjustment for non cash and other items		
Depreciation on fixed assets	2,342,100	1,761,539
Depreciation on ijarah assets	26,013,346	12,441,353
Amortization	-	30,000
Gain on disposal of shares	(255,028)	(14,962,290)
Gain on disposal of fixed assets	(59,995)	-
Unrealized (gain) / loss on remeasurement of investments	-	(5,198,685)
	<u>28,040,423</u>	<u>(5,928,083)</u>
Cash flows from operating activities before working capital changes	63,255,202	82,346,414
(Increase) / decrease in operating assets		
Ijarah Receivable	(2,706,892)	-
Deposits, prepayments and other receivables	(16,700,400)	1,336,942
Short term financing	45,000,000	30,435,072
Current portion of long term financing	-	(11,669,731)
Long term financing Net	8,472,025	(20,000,479)
Loans and advances - net	1,341,222	1,400,172
Accrued interest	8,195,674	(9,127,701)
	<u>43,601,629</u>	<u>(7,625,725)</u>
Increase / (decrease) in operating liabilities		
Accrued and other liabilities	(1,024,625)	(1,837,720)
Net change in operating assets and liabilities	42,577,004	(9,463,445)
Income tax paid	(5,121,119)	(1,917,030)
Net cash generated from operating activities	100,711,086	70,965,939
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions in fixed assets	(5,342,728)	(454,650)
Additions in ijarah assets	(25,586,000)	(61,399,000)
Termination of ijarah assets	3,340,625	-
Proceeds from disposal of fixed asset	60,000	-
Diminishing musharaka financing - Net	(7,735,000)	-
Security deposit - net	2,203,775	12,100,659
Deferred income from financing - net	(8,248,564)	11,300,609
Investment in Government securities - net	(25,092,994)	-
Sale of investments (shares)	13,702,292	92,394,057
Long term deposits	537,280	-
Advance against property	36,666,663	33,333,330
Investment / Sales of investment in securities	-	(130,097,287)
Net cash used in investing activities	(15,623,033)	(42,822,282)
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid	(67,469,255)	(19,033,204)
Net cash used in financing activities	(67,469,255)	(19,033,204)
Net increase in cash and cash equivalents	17,618,798	11,205,036
Cash and cash equivalents at the beginning of the year	12,967,805	1,762,769
Cash and cash equivalents at the end of the year	30,586,603	12,967,805

The annexed notes from 1 to 49 form an integral part of these financial statements.

Shakeel Ahmed
Chief Financial Officer

Zafar M. Sheikh
Chief Executive Officer

Haji Jan Muhammad
Chairman / Director

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

1. STATUS AND PRINCIPAL ACTIVITIES

- 1.1 Security Investment Bank Limited (the Company) is a public limited company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Company was incorporated in Pakistan on May 23, 1991 and started its commercial operations on December 31, 1991. Its shares are listed on Pakistan Stock Exchange. During the year, the company changed its registered office from Office No. 1, 1st Floor, Junaid Plaza, I-10 Markaz, Islamabad to Office No. 15, 3rd Floor, Al-Rehmat Mall, Plot # 34, Sector G-11 Markaz, Islamabad.
- 1.2 The Company is licensed to carry out the business of investment finance services as a Non-Banking Finance Company (NBFC) under section 282C of the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 issued by the Securities and Exchange Commission of Pakistan (SECP) as amended through SRO 1002 (I) /2015 dated October 15, 2015 and Non-Banking Finance Companies and Notified Entities Regulations 2008 as amended through SRO 1160(I) / 2015 dated November 25, 2015 (previously this was covered under SRO 585(1)/87 dated July 13, 1987, issued by the Ministry of Finance). The license is valid until May 29, 2028.
- 1.3 From the year 2020, the bank has not renewed its credit rating as the bank, as there has been no change in the non deposit taking status of the company. Previously, VIS Credit Rating Company Limited (VIS) had assigned initial entity ratings of 'A-/A-2' to Security Investment Bank Limited (SIBL). The long term rating of 'A-' signifies adequate credit quality. The short term rating of 'A-2' signifies good certainty of timely payment.
- 1.4 During the current reporting period, the company continued the process of converting SIBL into a Shariah-compliant entity, following the submission of its application to the regulator. The conversion plan, which was submitted previously, remains under review by the regulator. As per the plan, SIBL is expected to complete the conversion process within two years, effective from September 1, 2023. Further, management submitted an application granting extension of one year effective from September 01, 2025 to complete the conversion process.

2. GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The registered office of the Company is situated at Office No. 15, 3rd Floor, Al-Rehmat Mall, Plot # 34, Sector G-11 Markaz, Islamabad. The Company has a regional office at Suite no. 502, 503 & 504, 5th Floor, Madina City Mall, Abdullah Haroon Road, Saddar Karachi.

3. BASIS OF PREPARATION

3.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives and notifications issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations).
- Directives issued by the Securities and Exchange Commission of Pakistan (SECP).
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Act, 2017; and

Where provisions of, directives and notifications issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ from the IFRS Accounting Standards, the provisions of, directives and notifications issued under the Companies Act, 2017,

part VIIIA of the repealed Companies Ordinance, 1984, SECP, the NBFC Rules, the NBFC Regulations have been followed.

3.2 Functional and presentation currency

These financial statements are presented in Pak Rupees which is the functional and presentation currency of the Company and rounded to the nearest Rupee.

4. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED APPROVED ACCOUNTING STANDARDS

The following amendments to existing standards have been published that are applicable to the Company's financial statements covering annual periods, beginning on or after the following dates:

4.1 Standards, amendments to published standards and interpretations that are effective for the year and are relevant

There are certain amendments and improvements to approved accounting and reporting standards became applicable to the Company for the financial year beginning on January 1, 2025, however these do not have any material impact on the Company's financial reporting and, therefore, have not been presented in these consolidated financial statements.

– Standards or amendments to approved accounting and reporting standards that are not yet effective and have not been early adopted by the Company

The following standards or amendments are not effective for the accounting periods beginning on or after January 1, 2025 and have not been early adopted by the Company:

– Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments (effective from January 1, 2026)

These amendments:

- clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;

clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;

- add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets);
- make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income
- An important clarification brought about in these amendments is that a payment instruction (e.g. a cheque) that is prepared for a future payment will generally not meet the requirements for the financial liability to be discharged and hence derecognised. The previous practice of financial liabilities being derecognised upon issuance of cheques would need to be reconsidered.

– IFRS 18 - Presentation and Disclosure in Financial Statements (effective from January 1, 2027)

- This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:
 - the structure of the statement of profit or loss;
 - required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and

- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general
- The Company's management at present is in the process of assessing the full impacts of these new standard and the amendments to IFRS 7 and IFRS 9, and is expecting to complete the assessment in due course.
- Other than above there is a standard and certain amendments to accounting standards that are not yet effective and have not been early adopted by the Company for the financial year beginning on January 1, 2025. The standard and amendments are not expected to have any material impact in the Company's financial reporting and, therefore, have not been presented in these consolidated financial statements.

5. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

In preparing these financial statements, management has made judgements and estimates about the future that affect the application of Company's accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis and are consistent with the Company's risk management. Revisions to estimates are recognised prospectively.

The matters involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant which have been disclosed in the relevant notes to the financial statements are:

- (a) determining the residual values and useful lives of property and equipment (Note 8)
- (b) classification, valuation and impairment of financial instruments (Note 7.4 and 7.5)
- (c) recognition of taxation and deferred tax (Note 7.13)
- (d) impairment of non financial assets (Note 7.4)

6. BASIS OF MEASUREMENT

These financial statements have been prepared under the historical cost convention, except for investments carried at fair value through profit and loss and investments carried at fair value through other comprehensive income. In these financial statements, except for the amount reflected in cash flow statements, all the transactions have been accounted for on accrual basis.

7. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented:

7.1 Property and equipment

These are stated at revalued amount less accumulated depreciation and impairment losses, if any except for furniture and fixtures, computer and equipments, vehicles, generator and telephone system which are stated at cost less accumulated depreciation and impairment losses, if any. Depreciation is charged to the statement of profit or loss applying the straight line method, whereby the depreciable amount of the asset is written off over its estimated useful life. Depreciation on additions is charged from the month in which the asset is available for use while no depreciation is charged on assets in the month in which they are disposed.

The assets' residual values, the method of depreciation and useful lives are reviewed and adjusted, if appropriate, at each reporting date.

Gains or losses arising on the disposal of assets are recognised in the statement of profit or loss in the year of disposal and related surplus / deficit on revaluation of property, plant and equipment is transferred directly to the unappropriated profits / accumulated loss, if any.

Increases in the carrying amounts arising on revaluation of property, plant and equipment are recognised, net of tax, in other comprehensive income and accumulated in reserves in shareholders' equity. To the extent that the increase

reverses a decrease previously recognised in statement of profit or loss, the increase is first recognised in statement of profit or loss. Decreases that reverse previous increases of the same asset are first recognised in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to the statement of profit or loss.

Each year, the difference between depreciation based on the revalued carrying amount of the asset charged to profit or loss and depreciation based on the asset's original cost, net of tax, is reclassified from the revaluation surplus on property, plant and equipment to unappropriated profits / accumulated loss, if any. The accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount.

7.2 Investment Property

Investment property, comprising leasehold land and buildings, is held to earn rentals and for capital appreciation.

In accordance with the Fair Value Model under IAS 40, investment property is initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair value of investment property are recognized in the Statement of Profit or Loss in the period in which they arise.

Investment properties are not depreciated.

7.3 Ijarah assets given to customers under agreement

Assets leased out under Ijarah arrangements are recorded as Ijarah assets and are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss as and when incurred. The residual values, useful lives and depreciation method are reviewed and adjusted, if appropriate, at each reporting date.

Depreciation is charged to the statement of profit and loss applying the straight line method whereby the cost of an asset less residual value is depreciated over the estimated useful life of the asset. Depreciation is charged on pro rata basis from the date the asset is available for use till date of maturity / termination. In respect of additions and disposals during the year, depreciation is charged proportionately from the date of delivery of assets to the date of its maturity / termination.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the statement of profit and loss, in the year in which these arise.

7.4 Intangible assets

An intangible asset is recognised as an asset if it is probable that future economic benefits attributable to the asset will flow to the entity and the cost of such asset can be measured reliably.

Intangibles are stated at cost less accumulated amortization and impairment losses, if any. These costs are amortized over their estimated useful life using the straight-line method. (Refer Note 11)"

7.3.1 Trading rights and membership card

These are stated at cost less impairments, if any. The carrying amounts are reviewed at each statement of financial position date to assess whether these are recorded in excess of their recoverable amounts, and where carrying value is in excess of recoverable amount, these are written down to their estimated recoverable amount.

7.5 Impairment

The carrying amount of the Company's assets, except assets carried as per IFRS-9, are reviewed at each statement of financial position date to determine whether there is any indication of impairment. If such indications exist, the asset's recoverable amount is estimated in order to determine the extent of the impairment loss, if any. Impairment loss is recognised as expense in the profit and loss account. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

7.6 Financial instruments

Financial assets

The Company classifies its financial assets in the following categories: The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

a) Financial assets at amortised cost

Financial assets at amortised cost are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets, impairment losses, foreign exchange gains and losses, and gain or loss arising on derecognition are recognised directly in profit or loss.

b) Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are those financial assets which are either designated in this category or not classified in any of the other categories. A gain or loss on debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss in the period in which it arises.

Financial assets are initially measured at cost, which is the fair value of the consideration given and received respectively. These financial assets and liabilities are subsequently remeasured to fair value, amortized cost or cost as the case may be. Any gain or loss on the recognition and de-recognition of the financial assets and liabilities is included in the profit or loss for the period in which it arises.

Equity instrument financial assets / mutual funds are measured at fair value at and subsequent to initial recognition. Changes in fair value of these financial assets are normally recognised in profit or loss. Dividends from such investments continue to be recognised in profit or loss when the Company's right to receive payment is established. Where an election is made to present fair value gains and losses on equity instruments in other comprehensive income there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment.

Derecognition of financial assets

Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost and fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Company applies the simplified approach, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The

Company recognises in profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date.

Financial liabilities

All financial liabilities are recognised at the time when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities at amortised cost are initially measured at fair value minus transaction costs. Financial liabilities at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the profit or loss.

Financial liabilities, other than those at fair value through profit or loss, are subsequently measured at amortised cost using the effective yield method.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange and modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognised in the profit or loss.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Company applies the simplified approach to recognise lifetime expected credit losses for trade and other receivables.

Off-setting of financial assets and financial liabilities

A financial asset and financial liability is off-set and the net amount is reported in the statement of financial position when there is a legally enforceable right to set-off the transaction and also there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

7.7 Impairment of financing

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. This objective evidence of impairment of fixed income securities is determined in accordance with provisioning criteria for non performing exposures as per the requirements of NBFC Rules and Regulations.

7.8 Trade date and settlement date accounting

All "regular way" purchases and sales of financial assets are recognised on the settlement date, i.e. the date on which the asset is delivered to or by the Company. Regular way purchases or sales of financial assets are those contract that requires delivery of assets within the time frame generally established by regulation or convention in the market place.

7.9 Cash and bank balances

Cash in hand and at bank are carried at nominal amounts.

7.10 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of cash flow statement, cash and cash equivalents comprise cash in hand, cash with banks in current and deposit account and short term clean placement.

7.11 Provisions

Provisions are recognised when the Company has legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and reliable estimate of the amount can be made. Provisions are reviewed at each statement of financial position date and are adjusted to reflect the current best estimate.

7.12 Revenue

Income on financing, placement, government securities, profit on deposits and term finance certificates are recognised on accrual basis.

Dividends on equity investments are recognised as income when the right to receive payment is established.

Income from capital gains is recognised on earned basis.

Fee, commission, liquidated damages etc. are recorded on earned basis except which is spread over the time proportion.

7.13 Finance cost

Finance cost includes return on deposits and borrowings which are recognised on a time proportionate basis taking into account the relevant issue date and final maturity date.

7.14 Taxation

Current

Current tax is the expected tax payable on the taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using tax rates enacted or substantively enacted at the reporting date. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years.

Deferred

Deferred tax is accounted for using the liability method on all temporary differences at the statement of financial position date between the tax base of the assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences and unused tax losses, if any, to the extent that it is probable that sufficient taxable income will be available against which the deductible temporary differences and unused tax losses can be utilized.

The carrying amount of all deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted at the statement of financial position date.

Deferred tax on surplus / (deficit) on revaluation of investments is charged or credited directly to the same account.

7.15 Levies

The tax charged under Income Tax Ordinance, 2001 which is not based on taxable income or any amount paid/payable in excess of the calculation based on taxable income, which is not adjustable against the future tax liability, is classified as levy in the statement of profit or loss and other comprehensive income as these levies fall under the scope of IFRIC 21/IAS 37.

7.16 Related party transactions

All transactions with the related parties are priced on arm's length basis.

7.17 Details of related parties of the Company

Name of related party	Nature of relationship	Basis of relationship
Stallion Deliveries (Pvt) Limited	Associated Company	Common Director
Maryam Goods Transport (Pvt) Limited	Associated Company	Common Director
New Delite Company Limited	Associated Company	Common Director
Madina Electronics	Associated Undertaking	Common Director
ARY IQ Precious Metals (Private) Limited	Associated Company	Common Director
ARY Services (Private) Limited	Associated Company	Common Director
ARY Laguna (Pvt) Limited	Associated Company	Common Director
Shakeel Ahmed	Chief Financial Officer	CFO
Zafar Sheikh	Chief Executive	Directorship
Jan Muhammad	Chairman	Directorship

7.18 Provision for doubtful debts on financing

The Company reviews its doubtful debts at each reporting date to assess whether provision / (income suspension) should be recorded in the profit and loss account in addition to the mandatory provision / (income suspension) required in accordance with the requirements of the NBFC Regulations issued by Securities and Exchange Commission of Pakistan. In particular, calculating the provision for doubtful debts on financing is subject to numerous judgments, estimates and timing of future cash flows. Such estimates are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the provisions.

7.19 Dividend distributions and appropriations

Dividend distributions and appropriations other than statutory appropriations are recorded in the period in which they are approved.

8. FIXED ASSETS

	Note	2025	2024
		----- (Rupees) -----	
Property and equipment	8.1	<u>149,073,342</u>	<u>154,224,814</u>
		<u>149,073,342</u>	<u>154,224,814</u>

8.1 Fixed Asset

	Leasehold land	Building	Furniture & fixtures	Computer & equipments	Vehicles	Generator	Telephone system	Total
Rupees								
As at December 31, 2023								
Gross carrying value basis								
Cost	124,668,824	32,000,000	8,754,461	2,691,762	107,000	582,736	367,913	169,172,696
Accumulated depreciation	-	(3,253,322)	(7,358,642)	(2,139,644)	(68,199)	(567,211)	(253,969)	(13,640,987)
Net book value	<u>124,668,824</u>	<u>28,746,678</u>	<u>1,395,819</u>	<u>552,118</u>	<u>38,801</u>	<u>15,525</u>	<u>113,944</u>	<u>155,531,709</u>
Year ended December 31, 2024								
Net carrying value basis								
Opening net book value	124,668,824	28,746,678	1,395,819	552,118	38,801	15,525	113,944	155,531,709
Transfer from CWIP								
Additions (at cost)				454,650				454,650
Disposals								
Cost	-	-	-	(194,700)	-	-	-	(194,700)
Accumulated depreciation	-	-	-	194,694	-	-	-	194,694
				(6)				(6)
Depreciation charge		(639,996)	(872,040)	(186,779)	(13,296)	(11,640)	(37,788)	(1,761,539)
Closing net book value	<u>124,668,824</u>	<u>28,106,682</u>	<u>523,779</u>	<u>819,983</u>	<u>25,505</u>	<u>3,885</u>	<u>76,156</u>	<u>154,224,814</u>
As at December 31, 2024								
Gross carrying value basis								
Cost	124,668,824	32,000,000	8,754,461	2,951,712	107,000	582,736	367,913	169,432,646
Accumulated depreciation	-	(3,893,318)	(8,230,682)	(2,131,729)	(81,495)	(578,851)	(291,757)	(15,207,832)
Net book value	<u>124,668,824</u>	<u>28,106,682</u>	<u>523,779</u>	<u>819,983</u>	<u>25,505</u>	<u>3,885</u>	<u>76,156</u>	<u>154,224,814</u>
Year ended December 31, 2025								
Net carrying value basis								
Opening net book value	124,668,824	28,106,682	523,779	819,983	25,505	3,885	76,156	154,224,814
Revaluation of property	-	17,985,498	-	-	-	-	-	17,985,498
Additions (at cost)	-	-	1,477,972	764,756	3,100,000	-	-	5,342,728
Transfer to Investment Property	-	(26,137,593)	-	-	-	-	-	(26,137,593)
Disposals								
Cost	-	4,159,980	-	99,655	-	-	-	4,259,635
Accumulated depreciation	-	(4,159,980)	-	(99,650)	-	-	-	(4,259,630)
				5				5
Depreciation charge	-	(882,616)	(483,656)	(316,098)	(633,300)	(4,718)	(21,712)	(2,342,100)
Closing net book value	<u>124,668,824</u>	<u>19,071,971</u>	<u>1,518,095</u>	<u>1,268,646</u>	<u>2,492,205</u>	<u>(833)</u>	<u>54,444</u>	<u>149,073,352</u>
As at December 31, 2025								
Gross carrying value basis								
Cost	124,668,824	19,687,925	10,232,433	3,616,813	3,207,000	582,736	367,913	162,363,644
Accumulated depreciation	-	(615,954)	(8,714,338)	(2,348,177)	(714,795)	(583,569)	(313,469)	(13,290,302)
Net book value	<u>124,668,824</u>	<u>19,071,971</u>	<u>1,518,095</u>	<u>1,268,636</u>	<u>2,492,205</u>	<u>(833)</u>	<u>54,444</u>	<u>149,073,342</u>
Depreciation rate per annum (%)	-	2	10	20	20	10	10	

8.2 Cost as at the end of the year include an amount of Rs. 10,521,278 (2024: Rs. 2,259,161) in respect of fully depreciated assets still in use.

8.3 The details of immovable fixed assets (i.e. land and buildings) are as follows:

Description of location	Address	Total area of land
Leasehold land	49-C, Bader Commercial, Street 12, Phase-V, DHA, Karachi.	200 square yards
Building	Suite No. 502 & 503, 5th Floor, Madina City Mall, Abdullah Haroon Road, Saddar Karachi.	1609.44 square feet

8.4 During the year, the company revalued two Office Premises Suite No. 502 and 504, Madina City Mall, Abdullah Haroon Road, Karachi. Previously classified under building. The revaluation was carried out by an Independent Professional Valuer, having appropriate recognised professional qualifications and experience.

The valuation was performed using the market comparable approach reflecting recent market transactions for similar properties in the same location. As a result of revaluation, a surplus amounting to Rs. 17,985,498 was recognised in other comprehensive income and accumulated under surplus on revaluation of property in equity.

Subsequent to the revaluation, the Company entered into rental arrangement with third party for these premises. Accordingly, the properties were transferred to Investment Property at their fair value.

	Note	2025	2024
----- Rupees -----			
9. INVESTMENT PROPERTY			
Building		26,137,593	-
		26,137,593	-
9.1 The movement in this account is as follows:			
Opening balance		-	-
Addition / transfer from fixed asset		26,137,593	-
Net fair value gain on revaluation shown in statement of profit or loss		-	-
Carrying amount as at December 31		26,137,593	-
9.2 This represents office, Suite No. 502 and 504, 5th Floor, Madina City Mall, Abdullah Haroon Road, Saddar, Karachi held by the company to earn rental income. The properties were transferred at their fair value which became their deemed cost for subsequent accounting under the fair value model. Forced sale value of the investment property assessed at Rs. 20,952,280.			
10. IJARAH ASSETS - UNDER FINANCING ARRANGEMENTS			
Ijarah contracts - accounted for under IFAS 2	10.1 & 10.2	47,960,509	51,728,480
10.1 Assets under Ijarah arrangements			
		2025	
		----- Rupees -----	
At January 01 2025			
Cost	34,249,000	30,000,000	64,249,000
Accumulated depreciation	(2,079,043)	(10,441,477)	(12,520,520)
Accumulated impairment losses	-	-	-
Net book value as at January 1, 2025	32,169,957	19,558,523	51,728,480
Addition during the year	25,486,000	100,000	25,586,000
Disposal during the year			
Cost	4,350,000	-	4,350,000
Accumulated depreciation	(1,009,375)	-	(1,009,375)
	3,340,625	-	3,340,625
Impairment during the year	-	-	-
Depreciation charge for the year	(8,750,110)	(17,263,236)	(26,013,346)
Closing net book value as at December 31, 2025	48,905,847	2,395,287	47,960,509
At December 31, 2025			
Cost	55,385,000	30,100,000	85,485,000
Accumulated depreciation	(9,819,778)	(27,704,713)	(37,524,491)
Accumulated impairment loss	-	-	-
Net book value as at December 31, 2025	45,565,222	2,395,287	47,960,509

	2024		
	Vehicles	Equipment	Total
	----- Rupees -----		
At January 01 2024			
Cost	2,850,000	–	2,850,000
Accumulated depreciation	(79,167)	–	(79,167)
Accumulated impairment losses	–	–	–
Net book value as at January 1, 2024	2,770,833	–	2,770,833
Addition during the year	31,399,000	30,000,000	61,399,000
Disposal during the year			
Cost	–	–	–
Accumulated depreciation	–	–	–
Impairment during the year	–	–	–
Depreciation charge for the year	(1,999,876)	(10,441,477)	(12,441,353)
Closing net book value as at December 31, 2024	32,169,957	19,558,523	51,728,480
At December 31, 2024			
Cost	34,249,000	30,000,000	64,249,000
Accumulated depreciation	(2,079,043)	(10,441,477)	(12,520,520)
Accumulated impairment loss	–	–	–
Net book value as at December 31, 2024	32,169,957	19,558,523	51,728,480

10.2 The bank has entered into various Ijarah agreements for periods ranging from 3 to 5 years (2024: 3 to 5 years). Security deposits ranging between 10% to 51% (2024: 10% to 51%) are obtained at the time of disbursement. The rate of profit implicit in Ijarah finance ranges between 12.9% to 24.3% (2024: 15.2% to 26%) per annum.

	Note	2025	2024
		----- Rupees -----	
11. INTANGIBLE ASSETS			
Corporate membership of the PMEX		2,500,000	2,500,000
Website Development		128,335	–
		2,628,335	2,500,000
12. DEFERRED TAX ASSET			
Deferred tax liability / (asset) arising in respect of:			
Accelerated depreciation		6,221,009	(3,647,319)
Unrealized gain / (loss) on revaluation of investments measured at fair value through profit on loss		–	779,803
Unrealized gain / (loss) on revaluation of property		5,215,794	–
Unabsorbed tax depreciation		(15,141,500)	(7,163,206)
		(3,704,697)	(10,030,722)
12.1 Movement in deferred tax			
Opening balance - deferred tax asset		10,030,722	(3,083,572)
(Expense) / income during the year		(6,326,025)	13,114,294
Closing balance - deferred tax (liability) / assets		3,704,697	10,030,722

12.2 Deferred tax assets have been recognised only to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilized.

	Note	2025	2024
----- Rupees -----			
13. LONG TERM FINANCING			
Secured and considered good			
Murabaha and other finance		66,400,040	85,457,036
Less: Deferred income from finance		(10,761,387)	(21,346,358)
Murabaha and other receivable	13.1 & 13.2	55,638,653	64,110,678
Less: Current portion of long term financing		(30,732,760)	(22,541,960)
		24,905,893	41,568,718

13.1 These represent financing of vehicle on Murabaha basis against hypothecation of vehicles for a period of 2 to 3 years, carrying mark up at 1 Year KIBOR + 2.5% to 5% per annum (2024: 1 Year KIBOR+ 2.5% to 5%).

13.2 This represents financing of working capital requirement against hypothecation of stock and mortgage of property carrying mark up at 1 year KIBOR + 3% to 5% (2024: 1 year KIBOR + 3% to 5%).

13.3 Regulation 19(h) of the NBFC Regulations, 2008 prohibits financing to major shareholders, executives, directors, or related parties with significant interests. However, certain financing arrangements have been made with related parties.

13.4 Regulation 28(a) of the NBFC Regulations, 2008 requires an NBFC to invest at least 70% of its total assets in its core business. However, the company has invested only 29.83% of its assets in financing activities.

13.5 The following balances of murabaha and other finance are receivable from related parties:

Related Parties	Nature of Relationship	Basis of Relationship	Collateral Security	Maximum aggregate amount outstanding at any time during the year	2025	2024
----- Rupees -----						
New Delite Company Limited	Associated Company	Common Director	Vehicle	3,500,000	1,745,244	2,593,734
Madina Electronics	Associated Undertaking	Common Director	Stock	45,000,000	20,146,841	28,711,751
Stallion Deliveries (Pvt) Limited	Associated Company	Common Director	Vehicles	3,000,000	1,019,352	1,166,724
Maryam Goods Transport (Pvt) Limited	Associated Company	Common Director	Vehicle & Stock	25,000,000	11,209,387	13,089,726
					34,120,824	45,561,935

	Note	2025	2024
----- Rupees -----			
14. LONG TERM LOANS AND ADVANCES			
Advances - secured			
– Staff	14.1	4,594,287	6,295,828
– Against expenses		628,313	267,994
– For office premises	14.2	2,500,000	2,500,000
		7,722,600	9,063,822
Less: Current portion of loan and advances		(2,391,891)	(2,789,190)
		5,330,709	6,274,632

14.1 The following balances of long term loans and advances to staff are receivable from related party:

Related Parties	Nature of Relationship	Basis of Relationship	Collateral Security	Maximum aggregate amount outstanding at any time during the year	2025	2024
----- Rupees -----						
Zafar M. Sheikh	Chief Executive	Directorship	–	3,699,994	3,033,360	4,940,994
Shakeel Ahmed	Chief Financial Officer	CFO	–	1,309,836	1,322,827	–
					4,356,187	4,940,994

14.2 This amount represents advance paid for office space in Pakistan Merchantile Exchange Limited (PMEX) (Previously: National Commodity Exchange Limited Building (NCEL) in the year 2003-04 and 2004-05. The said building is still under construction.

18.1 The following balances of deposits, prepayments and other receivables are receivable from related party:

<u>Related Parties</u>	<u>Nature of Relationship</u>	<u>Basis of Relationship</u>	<u>2025</u>	<u>2024</u>
----- Rupees -----				
Other Receivable				
- ARY Communication Ltd.	Associated Company	Common Director	322,997	-
- Jan Muhammad	Chairman	Chairman	17,781,920	-
			<u>18,104,917</u>	<u>-</u>

18.1.1 Other receivable includes Rs. 17,781,920 which represents the amount as disclosed in note 17.1. Management believes that the amount is fully recoverable.

	<u>Note</u>	<u>2025</u>	<u>2024</u>
----- Rupees -----			
19. IJARAH RENTALS RECEIVABLE			
Ijarah rentals receivable - considered good - secured		2,774,557	67,665
		<u>2,774,557</u>	<u>67,665</u>
20. ACCRUED INTEREST			
Profit on demand finance- receivable		6,340,356	9,729,355
Profit on murabaha car finance receivable		6,789,062	13,988,371
Receivable from diminishing musharakah		2,392,634	-
		<u>15,522,052</u>	<u>23,717,726</u>

20.1 The following balances of accrued interest are receivable from related party:

<u>Related Parties</u>	<u>Nature of Relationship</u>	<u>Basis of Relationship</u>	<u>2025</u>	<u>2024</u>
----- Rupees -----				
New Delite Company Limited	Associated Company	Common Director	302,381	4,732,788
Madina Electronics	Associated Undertaking	Common Director	2,996,644	7,913,559
Stallion Deliveries (Pvt) Limited	Associated Company	Common Director	259,620	215,661
Maryam Goods Transport (Pvt) Limited	Associated Company	Common Director	5,394,588	8,373,949
			<u>8,953,233</u>	<u>21,235,957</u>

	<u>Note</u>	<u>2025</u>	<u>2024</u>
----- Rupees -----			
21. ADVANCE INCOME TAX			
Opening balance		34,031,997	56,075,091
Add: tax deducted / paid during the year		5,121,119	1,917,030
Less: provision for taxation		(14,094,447)	(23,960,175)
As at end of the year		<u>25,058,669</u>	<u>34,031,997</u>

22. CASH AND BANK BALANCES			
Cash on hand		100,014	15,358
With State Bank of Pakistan in current account		13,538	13,538
Current accounts		28,712,564	7,430,159
Deposit accounts	22.1	1,760,487	5,508,750
		<u>30,586,603</u>	<u>12,967,805</u>

22.1 Effective markup rate in respect of deposit accounts ranges from 7.50% to 9.50% (2024: 12.25% to 20.5%) per annum.

	Note	2025	2024
		Rupees	
23. SHARE CAPITAL			
Authorized share capital			
Number of Shares			
2025	2024		
1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000

Issued, subscribed and paid-up share capital

Number of Shares			2025	2024
2025	2024			
23,552,000	23,552,000	For cash	23,552,000	23,552,000
23,552,000	23,552,000	Ordinary shares of Rs. 10/- each issued as fullypaid bonus shares.	23,552,000	23,552,000

23.1 The shareholders are entitled to receive dividends as declared from time to time and are entitled to one vote per share at Meetings of the Company. All shares rank equally with regard to the Company's residual assets.

	Note	2025	2024
		Rupees	
24. STATUTORY RESERVES	24.1	149,569,891	145,567,871

25. SURPLUS ON REVALUATION OF PROPERTY

The Company revalued, its buildings to replace the carrying amounts of these asset with their market value/depreciated market value

	2025	2024
	Rupees	
Surplus on revaluation - opening	-	-
Surplus on revaluation arisen during the year	17,985,498	-
Less: Incremental depreciation on revalued assets for the year	(241,741)	-
Surplus on revaluation - Closing	17,743,757	-
Less: related deferred tax of:		
- balance as at July 01	-	-
- surplus arisen during the year	(5,215,794)	-
- incremental depreciation for the year		
Incremental depreciation transferred to equity - Net	70,105	-
Realized on disposal of revalued fixed assets	-	-
	(5,145,690)	-
	12,598,068	-

The surplus on revaluation of property, plant and equipment is not available for distribution to the shareholders in accordance with Section 241 of the Companies Act, 2017.

	Note	2025	2024
----- Rupees -----			
26. SECURITY DEPOSITS			
Security deposits	26.1	14,874,434	12,670,659
Less: Repayable/adjustable after one year		(14,304,434)	(12,670,659)
Current portion		570,000	–

26.1 These represent amounts received under Ijarah finance repayable / adjustable at the expiry of the lease period.

27. DEFERRED INCOME FROM FINANCING			
Deferred income from financing		13,100,509	21,349,073
Less: Adjustable after one year		(6,192,991)	(11,940,311)
Current portion		6,907,518	9,408,762

28. ADVANCE AGAINST PROPERTY			
Advance against property	28.1	69,999,993	33,333,330
		69,999,993	33,333,330

28.1 This amount represents arrangement made through sales agreement dated January 11, 2024 wherein both the parties i.e Security Investment Bank Limited and ARY Laguna (Pvt) Limited, agreed to sale/purchase a commercial plot situated at 49-C, Bader Commercial, Street-12, Phase-V, DHA, Karachi at the sale consideration of Rs. 120 million to be paid in 36 equal monthly installment. Security Investment Bank Limited has agreed to execute the deed of conveyance in favor of ARY Laguna (Pvt) Limited only upon full and final and complete payment of the purchase price.

28.2 The following balances of advance against property from:

Related Parties	Nature of Relationship	Basis of Relationship	2025	2024
----- Rupees -----				
– ARY Laguna (Pvt) Limited	Associated Company	Common Director	69,999,993	33,333,330

29. ACCRUED AND OTHER LIABILITIES			
Accrued and other expenses		1,167,210	2,191,836
		1,167,210	2,191,836

29.1 The following balances of Accrued and other liabilities from:

Related Parties	Nature of Relationship	Basis of Relationship	2025	2024
----- Rupees -----				
– ARY Laguna (Pvt) Limited	Associated Company	Common Director	69,999,993	33,333,330

30. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at reporting date except tax contingencies as disclosed in note No. 36.3.

31. INCOME ON FINANCING			
Demand finance		4,270,734	5,675,347
Murabaha finance		12,029,514	20,365,523
Ijara finance		34,632,465	16,232,005
		50,932,713	42,272,875

	Note	2025	2024
		----- Rupees -----	
32. INCOME FROM DIMINISHING MUSHARAKA FINANCING			
Individuals		53,512	–
		<u>53,512</u>	<u>–</u>
33. RETURN ON SECURITIES			
Return on Government securities		58,955,918	77,594,560
Dividend income		–	1,207,680
		<u>58,955,918</u>	<u>78,802,240</u>
34. OTHER INCOME			
Gain on sale of fixed assets		59,995	–
Gain on disposal of ijarah asset		297,489	–
Processing income		114,611	124,549
Rental income		322,997	377,520
Miscellaneous		787,922	405,487
Profit on staff personal loan		72,602	147,337
Facilitation charges		837,638	–
		<u>2,493,254</u>	<u>1,054,893</u>
35. ADMINISTRATIVE EXPENSES			
Salaries, wages and other benefits		36,663,041	28,461,788
Rent, rates and taxes		1,627,594	1,009,277
Telephone, telex and fax		783,611	560,404
Electricity, water and gas		1,245,112	1,391,526
Printing, postage and stationery		269,770	329,130
Insurance		410,503	300,722
Fees and membership		2,484,514	2,064,925
Brokerage and commission		85,440	167,410
Central Depository Company charges		87,255	66,866
Auditors' remuneration	35.1	575,704	430,000
Legal and professional fees		1,680,189	2,696,805
Vehicle running and maintenance		1,526,726	975,263
Repairs and maintenance		1,407,703	898,681
Advertisement		1,042,879	649,946
Travelling and conveyance		1,469,854	216,117
Entertainment		1,088,785	1,024,278
Depreciation	35.2	28,355,446	14,202,892
Amortisation		–	30,000
Bank charges		16,736	51,444
Medical expense		454,589	404,695
Other expenses		222,548	249,940
Islamic division expenses		900,000	–
		<u>82,397,999</u>	<u>56,182,109</u>
35.1 Auditors' remuneration			
Statutory audit fee		445,704	300,000
Half yearly review fee		100,000	100,000
Out of pocket expenses		30,000	30,000
		<u>575,704</u>	<u>430,000</u>

	Note	2025	2024
		----- Rupees -----	
35.2 Depreciation			
Depreciation on property and equipment	8.1	2,342,100	1,761,539
Depreciation on Ijara assets	10	26,013,346	12,441,353
		28,355,446	14,202,892
		2025	2024
		----- Rupees -----	
36. LEVY AND TAXATION			Restated
Levy	36.2	2,244,344	2,425,496
Taxation			
Current tax		(11,850,104)	(21,534,680)
Prior year tax		—	—
Deferred tax		(1,110,231)	13,114,294
		(12,960,334)	(8,420,386)
36.1 Relationship between Accounting and Tax Expense			
Accounting profit		32,970,435	85,849,002
Tax at the applicable rate of 29%		9,561,426	24,896,210
Permanent differences		(2,290,071)	(2,290,071)
Alternative corporate tax		1,110,231	(13,114,294)
Others		4,578,748	(1,071,460)
		12,960,334	8,420,386

36.2 This represents final taxes paid under Section 150 of Income Tax Ordinance, 2001, representing levy in terms of requirements of IFRIC 21/IAS 37.

36.3 The preparation of financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates, underlying assumptions and judgments are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Assessment in respect of tax years 2006 & 2007 were rectified under Section 221 of the Ordinance on the issue of apportionment of expenses between Exempt & Taxable Income. The assessment was finalized in respect of the above mentioned tax years, however, a rectification application has been filed in respect of tax year 2007 on short credit of taxes paid/ withheld. The concerned taxation officer called for the record in respect of tax claimed by the Company. The record was duly furnished to the officer, however, tax credit was not allowed. Another application in this respect has been filed vide letter bearing Ref: T-390/2014/98 dated November 18, 2014. No response in this regard has been received by the Company.

Assessment in respect of tax year 2008 was amended vide order dated December 24, 2009 issued under Section 122 of the Ordinance by Deputy Commissioner Inland Revenue (the "DCIR") creating tax demand of Rs. 37,791,566. The Company filed an appeal before CIR(A), which was decided in favor of tax department. The Company filed a second appeal before ATIR which was also decided against the Company.

The Company has filed a reference application before Islamabad High Court against the said order of ATIR. The date of hearing has not yet been fixed.

The return filed by the Company was selected for audit under Section 177 of the Ordinance. Information document request was served under section 176 of the Ordinance which was duly responded. On the basis of reply submitted and hearing with the officer the return was amended under Section 122(5) creating a tax demand amounting Rs.14,460,027.

Being aggrieved with the assessment, an appeal against the said order was submitted before the CIR (A) which has been decided in the favor of Company on the following grounds.

- Disallowance pertaining to FTR income
- Brought forward losses

The above matters are remanded back to the assessing officer.

The stance of the Company on Profit on debt and Advertisement expenses is not accepted by the CIR(A) and decided in the favor of department. An appeal on the above grounds filed before Appellate Tribunal Inland Revenue the (ATIR) and ATIR has deleted the disallowance of profit of debt in favour of Company and remanded back the disallowance of Advertisement expenses with the direction to assess the nature of advertisement expenses. No remand back proceedings regarding the advertisement expenses has been initiated yet.

Assessment in respect of tax year 2012 was amended vide assessment order dated February 28, 2014 under section 221/113 of the Ordinance BY ADIR creating tax demand amounting Rs. 1,096,510. A rectification application was filed which was rejected. The order of DCIR was contested before CIR(A) who remanded back the case to DCIR for further verification. However, DCIR again issued assessment order under section 124/122(5A). The company filed an appeal before CIR(A) and commissioner appeals through appellate order partially confirm the assessment order. The Company filed an appeal before ATIR and ATIR has deleted the orders of DCIR as well as CIRA in the favour of the Company.

Assessment in respect of Tax Year 2013 was amended vide assessment order dated September 09, 2018 issued under Section 122 (5A) of the Ordinance by Additional Commissioner Inland Revenue (the "ADIR") creating tax demand of Rs. 22,746, 522. The company filed an appeal before appellate forum.

Assessment in respect of Tax Year 2014 was amended vide assessment order dated January 31, 2019 issued under section 122 (5A) of the Ordinance by ADIR creating tax demand amounting Rs. 612,042. The company filed an appeal before the CIR(A) who remanded back the order. However, DCIR again issued assessment order under section 124/122(5A). The company filed an appeal before CIR(A) and commissioner appeals through appellate order partially confirm the assessment order. The Company filed an appeal before ATIR.

Assessment in respect of Tax Year 2015 was amended vide assessment order bearing bar code No. 10000091909912 dated February 02, 2021 issued under Section 122 (5A) of the Ordinance by Additional Commissioner Inland Revenue (the "ADIR") Audit-I, range-II creating tax demand of Rs. 19,462,238. The company filed an appeal before CIR(A) and commissioner appeals through appellate order partially confirm the assessment order and partially remand back the proceedings. The remand back proceedings were also concluded and Company has filed an appeal before CIRA against the remand back order and hearing in respect of which has not been fixed yet. Moreover, The Company also filed an appeal before ATIR.

"Assessment in respect of Tax Year 2016 was amended vide assessment order bearing DCR No. 07/26 dated January 01, 2021 in terms of section 122 (5A) of the Ordinance by the Additional Commissioner, Audit-I, Range-II creating an aggregate demand amounting Rs. 11,084,337 in furtherance of proceedings under Section 122 of the Ordinance. The company filed an appeal before the CIR(A) and commissioner appeals through appellate order partially confirm the assessment order and partially remand back the proceedings. The remand back proceedings were also concluded and Company has filed an appeal before CIRA against the remand back order and hearing in respect of which has not been fixed yet. Moreover, the Company also filed an appeal before ATIR.

Assessment in respect of Tax Year 2018 was amended vide order under section 221 of the Ordinance by Inland Revenue Officer (the" IRO') creating tax demand amounting Rs. 22,556,987. The company filed an appeal before CIR(A) who remanded back the case to IRO with the direction to afford the appellant ample opportunity to present company's point of view along with the relevant supporting evidence to justify the declared return. However, assessing officer has passed the ex-party order. The company filed an appeal before the CIR(A) who remanded back the case vide Assessment order bearing bar code No. 100000113390383 dated November 30, 2021. Remand back proceedings has also been concluded 124/129 of the Ordinance dated June 09, 2021. Being aggrieved with the order, the company again filed an appeal before CIRA and CIRA, through appellate order remand back the case for de-novo consideration and remand back proceedings were concluded on the same point vide order bearing bar code No. 100000196082437 dated May 23, 2024.

Being aggrieved, the company again filed an appeal before CIRA which was transferred to ATIR due to inclusion of Section 126A of the Ordinance. The hearing took place on November 11,2024 and case decided in the favor of company and demand was deleted accordingly.

Assessment in respect of Tax Year 2018 was amended vide assessment order bearing bar code No. 100000127765319 dated July 29, 2022 in terms of section 122 (5A) of the Ordinance by the Additional Commissioner, Audit-II, Range-II by disallowing the refund adjustment aggregate Rs. 12,475,163. The company filed an appeal before the CIR(A) and commissioner appeals through appellate order remanded back the case to the assessing officer to pass a speaking order after providing an opportunity of being heard.

Assessment in respect of Tax Year 2018 was amended vide assessment order bearing bar code No. 100000166641681 dated October 30, 2023 in terms of section 122 (1) of the Ordinance by the Assistant / Deputy Commissioner Inland Revenue (the "ADCIR"), Zone-I, Range-I, Zone-IV creating tax demand amounting Rs. 5,528,108. The company filed an appeal CIR(A) and CIRA has deleted the case in favor of the Company and demand has been deleted accordingly.

Assessment in respect of Tax Year 2020 was amended vide assessment order bearing bar code No. 100000127773690 dated July 29, 2022 in terms of section 122 (5A) of the Ordinance by the Additional Commissioner, Audit-II, Range-II by disallowing the refund adjustment aggregate Rs. 9,852,119. The company filed an appeal before the CIR(A) and commissioner appeals through appellate order remanded back the case to the assessing officer to pass a speaking order after providing an opportunity of being heard.

Assessment in respect of tax year 2022 was rectified under section 221 of the Ordinance vide assessment order dated May 29, 2023 by Assistant / Deputy Commissioner Inland Revenue, Zone-I, Range-I, Zone-IV creating tax demand amounting Rs. 6,707,811. The company filed an appeal before the CIR(A) and commissioner appeals through appellate order remanded back the case to the assessing officer to pass a speaking order after providing an opportunity of being heard.

	2025	2024
	----- (Rupees) -----	
37. EARNINGS PER SHARE - BASIC AND DILUTED		
37.1 Basic earnings per share		
Profit after taxation	<u>20,010,101</u>	<u>77,428,616</u>
	----- (No. of shares) -----	
Weighted average number of ordinary shares	<u>59,148,592</u>	<u>59,148,592</u>
	----- (Rupees) -----	
Earnings per share - basic and diluted	<u>0.338</u>	<u>1.309</u>

37.2 Diluted earnings per share

No figure for diluted earnings per share has been presented as the Company has not issued any instrument that would have an impact on its earnings exercised.

38. REMUNERATION OF CHIEF EXECUTIVE OFFICER, EXECUTIVE AND NON-EXECUTIVE DIRECTORS AND EXECUTIVES

	2025				2024			
	Chief Executive Officer	Non-Executive Directors	Executive Director	Executive	Chief Executive Officer	Non-Executive Directors	Executive Director	Executive
	----- (Rupees) -----							
Directors meeting fees	-	1,150,000	-	-	-	850,000	-	-
Managerial remuneration	7,188,964	-	-	7,704,791	7,245,004	-	-	2,456,229
Bonus	943,748	-	-	-	1,115,796	-	-	-
Medical expense	778,072	-	-	554,932	553,752	-	-	267,280
Other benefits	7,805,260	-	-	2,724,325	3,859,578	-	-	1,432,556
	<u>16,716,044</u>	<u>1,150,000</u>	<u>-</u>	<u>10,984,048</u>	<u>12,774,130</u>	<u>850,000</u>	<u>-</u>	<u>4,156,065</u>
Number of persons	<u>1</u>	<u>7</u>	<u>-</u>	<u>7</u>	<u>1</u>	<u>7</u>	<u>-</u>	<u>4</u>

- 38.1 The executives of the Company are also entitled to free use of Company owned and maintained vehicles.
- 38.2 During the year director fees was increased from Rs. 0.850 million per meeting to 1.150 million per meeting.
39. **LIQUIDITY RISK**

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments. The Company has diversified its funding sources and assets are managed with liquidity in mind, maintaining a healthy balance of cash and cash equivalents and readily cashable marketable securities. The maturity profile is monitored on regular basis by Assets and Liabilities Committee to ensure that adequate liquidity is maintained. Following are the contractual maturities of financial liabilities, including interest payments and excluding the impact of netting agreements, if any.

	December 31, 2025			
	Upto three months	More than three months and upto one year	Over one year	Total
	----- (Rupees) -----			
Liabilities				
Unclaimed dividend	28,852,079	–	–	28,852,079
Accrued and other liabilities	1,167,210	–	–	1,167,210
Security deposits against Ijarah	–	–	14,874,434	14,874,434
Deferred income from financing	–	6,907,518	6,192,991	13,100,509
	<u>30,019,289</u>	<u>6,907,518</u>	<u>21,067,425</u>	<u>57,994,232</u>
	----- (Rupees) -----			
	December 31, 2024			
	Upto three months	More than three months and upto one year	Over one year	Total
	----- (Rupees) -----			
Liabilities				
Unclaimed dividend	7,598,446	–	–	7,598,446
Accrued and other liabilities	2,191,836	–	–	2,191,836
Security deposits against Ijarah	–	–	12,670,659	12,670,659
Deferred income from financing	–	9,408,762	11,940,311	21,349,073
	<u>9,790,283</u>	<u>9,408,762</u>	<u>24,610,970</u>	<u>43,810,015</u>

40. **CREDIT RISK AND CONCENTRATION OF CREDIT RISK**

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counter-parties, and continually assessing the credit worthiness of counter-parties.

Concentration of credit risk arises when a number of counter-parties are engaged in similar business activities, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentration of credit risk indicate the relative sensitivity of a Company's performance to developments affecting a particular industry.

The Company follows two sets of guidelines. Firstly, it has its own operating policies duly approved by the Board of Directors. Secondly, it adheres to the regulations issued by the SECP and SBP. The operating policies define the extent of fund and non-fund based exposures with reference to a particular sector or group.

The Company seeks to manage its credit risk exposure through diversification of lending activities to avoid undue concentration of risks with individuals or groups of customers in specific locations or business. It also obtains security when appropriate. Details of industry / sector analysis of finance portfolio is given below:

Exposure to credit risk

The maximum exposure to credit risk before any credit enhancements at December 31, 2025 is the carrying amount of the financial assets as set out below:

	2025	2024
	----- (Rupees) -----	
Market treasury bills	515,730,039	490,637,045
Investment in quoted equity shares	-	13,447,264
Long term financing	55,638,653	64,110,678
Short term financing	-	45,000,000
Loans and advances	4,594,287	6,295,828
Diminishing musharaka financing	7,735,000	-
Deposits and other receivables	19,385,413	4,138,391
Ijarah rentals receivable	2,774,557	67,665
Accrued interest	15,522,052	23,717,726
Bank Balance	30,486,589	12,952,447
	<u>651,866,590</u>	<u>660,367,044</u>

As part of its credit risk management, the Company has carried out an impairment assessment of financial assets at the reporting date and determined that no impairment provision is required.

Credit risk ratings

Credit risk rating of the banks and their respective balances are given below:

Banks	Short term	Long term	Agency		
MCB Bank Limited	A-1	A+	PACRA	273,245	273,245
Summit Bank Limited	A-3	BBB-	VIS	518,947	1,359,841
United Bank Limited	A-1+	AAA	VIS	29,524,743	10,882,643
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	20,069	20,069
JS Bank Limited	A-1+	AA	PACRA	86,047	403,111
Bank Islami	A-1	AA-	PACRA	50,000	-
				<u>30,473,051</u>	<u>12,938,909</u>

	2025		2024	
	Rupees	%	Rupees	%
40.1 Finance				
Trading	65,689,932	59.00%	8,382,760	5.29%
Manufacturing	20,146,843	18.10%	-	0.00%
Others	25,497,387	22.90%	150,026,259	94.71%
	<u>111,334,162</u>	<u>100%</u>	<u>158,409,019</u>	<u>100%</u>

41.2 Equity price risk

The Company's listed and unlisted equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The Company's Board of Directors reviews and approves all equity investment decisions.

41.3 Sensitivity analysis

The table below summarizes Company equity price risk as of December 31, 2025 and 2024 shows the effects of a hypothetical 10% increase and a 10% decrease in market prices as at the year end reporting dates. The selected hypothetical change does not reflect what could be considered to be the best or worst case scenarios. Indeed, results could be worse because of the nature of equity markets and the aforementioned concentrations existing in Investment Bank's and debt investment portfolio.

	Fair value	Hypothetical price changes	Estimated fair value after hypothetical change in prices	Hypothetical increase (decrease) in shareholders' equity	Hypothetical increase (decrease) in profit / (loss)
				(Rupees)	
December 31, 2025	–	10% increase	–	–	–
		10% decrease	–	–	–
December 31, 2024	13,447,264	10% increase	14,791,990	1,344,726	1,344,726
		10% decrease	12,102,538	(1,344,726)	(1,344,726)

41.4 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies. The Company is not exposed to currency risk arising from currency exposure as it is not involved in foreign currency transactions.

41.5 Financial instruments by category

	2025	2024
	----- (Rupees) -----	
Financial assets		
Measured at fair value through profit or loss		
Investment in quoted equity shares	–	13,447,264
Measured at amortized cost		
Market treasury bills	515,730,039	490,637,045
Long term financing	55,638,653	64,110,678
Short term financing	–	45,000,000
Loans and advances	4,594,287	6,295,828
Diminishing musharaka financing	7,735,000	–
Deposits and other receivables	19,385,413	4,138,391
Ijarah rentals receivable	2,774,557	67,665
Accrued interest	15,522,052	23,717,726
Cash and bank balances	30,586,603	12,967,805
	651,966,604	646,935,138
	651,966,604	660,382,402
Financial liabilities		
Financial liabilities carried at amortized cost		
Unclaimed dividend	28,852,079	7,598,446
Accrued and other liabilities	1,167,210	2,191,836
Security deposits against Ijarah	14,874,434	12,670,659
Deferred Income from financing	13,100,509	21,349,073
	57,994,232	43,810,015

42. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently differences may arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The fair value of financial assets and liabilities traded in active markets are based on the quoted market prices at the close of trading on the period end date. The quoted market price used for financial assets held by the Company is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: fair value measurements using inputs for assets or liability that are not based on observable market data (i.e. unobservable inputs).

As at December 31, 2025, the Company held the following financial instruments measured at fair value:

	Level 1	Level 2	Level 3	Total
Measured at fair value through profit or loss				
Quoted shares	-	-	-	-

As at December 31, 2024, the Company held the following financial instruments measured at fair value:

	Level 1	Level 2	Level 3	Total
Measured at fair value through profit or loss				
Quoted shares	13,447,264	-	-	13,447,264

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values.

There were no transfers between various levels of fair value hierarchy during the year.

43. CAPITAL RISK MANAGEMENT

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Company defines as net operating income divided by total capital employed. The Board of Directors also monitors the level of dividends to ordinary shareholders.

The Company is exposed to externally imposed capital requirements.

The Securities and Exchange Commission of Pakistan has notified amendments in the Non-Banking Finance Companies (Establishment and Regulations) Rules 2003 and Non-Banking Finance Companies and Notified Entities Regulations 2008 (vide SRO No. 1002(I)/2015 dated October 15, 2015 and SRO No. 1160(I)/2015 dated November 25, 2015). The Board of Directors in its meeting held on September 07, 2016 has resolved to continue the Company's IFS License as Non Deposit taking Lending NBFC and, accordingly, the Company is in compliance with Minimum Capital Requirement as stipulated in the NBFC Regulations, 2008.

44. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions and includes subsidiary company, associated companies with or without common directors, directors and major shareholders and their close family members, key management personnel and retirement benefit funds. The Company has a policy whereby all transactions with related parties are entered into at arm's length prices using comparable uncontrolled price method and are in the normal course of business at contracted rates and terms determined in accordance with market rates. Transactions with related parties during the year, other than Director's remuneration, are as follows:

Transactions During the year

Nature of Transaction	Nature of Relationship Basis of Relationship		2025 Audited Rupees	2024 Audited Rupees
OTHER LIABILITIES & PROVISIONS				
- ARY Laguna (Pvt) Limited	Associated Company	Common Director	36,666,663	23,333,331
Income on Financing - Ijara Rentals				
Related Parties				
- Stallion Deliveries (Pvt) Limited	Associated Company	Common Director	993,374	826,920
- Maryam Goods Transport (Pvt) Limited	Associated Company	Common Director	2,031,780	338,630
- New Delite Company (Pvt) Limited	Associated Company	Common Director	22,027,225	6,250,455
			25,052,379	7,416,005
Others			9,580,086	723,199
			34,632,465	8,139,204
Income on Financing - Under Islamic Mode				
Related Parties				
- New Delite Company Limited	Associated Company	Common Director	4,430,407	7,694,159
- Madina Electronics	Associated Company	Common Director	4,361,675	4,151,445
- Stallion Deliveries (Pvt) Limited	Associated Company	Common Director	267,685	1,269,187
- Maryam Goods Transport (Pvt) Limited	Associated Company	Common Director	2,979,361	2,738,097
			12,039,128	15,852,888
Others			4,261,120	3,140,001
			16,300,248	18,992,889
Misc. Income				
Related Parties				
- ARY Services (Pvt) Ltd	Associated Company	Common Director	-	377,520
- ARY Laguna (Pvt) Limited	Associated Company	Common Director	837,638	-
- ARY Communication Ltd	Associated Company	Common Director	322,997	-
- Shakeel Ahmed	Chief Financial Officer	CFO	72,602	114,980
Personal loan				
- Zafar M. Sheikh	Chief Executive	Directorship		
- Loan paid during the year			1,800,000	2,290,614
- Loan received during the year			3,699,994	2,982,964
- Shakeel Ahmed				
- Loan paid during the year	Chief Financial Officer	CFO	1,500,000	-
- Loan received during the year			1,309,836	186,045

Balances as at the period end

Nature of Balances	Nature of Relationship Basis of Relationship		2025 Audited Rupees	2024 Audited Rupees
Murabaha and other finance				
Related Parties				
- New Delite Company Limited	Associated Company	Common Director	1,745,244	47,593,734
- Madina Electronics	Associated Undertaking	Common Director	20,146,841	28,711,751
- Stallion Deliveries (Pvt) Limited	Associated Company	Common Director	1,019,352	1,166,724
- Maryam Goods Transport (Pvt) Limited	Associated Company	Common Director	11,209,387	13,089,726
			34,120,824	90,561,935
Others			29,252,820	18,548,743
			63,373,644	109,110,678
Accrued profit				
Related Parties				
- New Delite Company Limited	Associated Company	Common Director	302,381	4,732,788
- Madina Electronics	Associated Undertaking	Common Director	2,996,644	7,913,559
- Stallion Deliveries (Pvt) Limited	Associated Company	Common Director	259,620	215,661
- Maryam Goods Transport (Pvt) Limited	Associated Company	Common Director	5,394,588	8,373,949
			8,953,233	21,235,957
Others			6,568,819	2,481,769
			15,522,052	23,717,726
Ijarah rental receivable				
Related Parties				
- New Delite Company Limited	Associated Company	Common Director	2,002,475	-
Others			772,082	67,665
			2,774,557	67,665
Other Receivable				
- ARY Communication Ltd	Associated Company	Common Director	322,997	-
- Jan Muhammad	Chairman	Directorship	17,781,920	-
Personal loan				
- Zafar M. Sheikh	Chief Executive	Directorship	3,033,360	4,940,994
- Shakeel Ahmed	Chief Financial Officer	CFO	1,322,827	-
Accrued and other liabilities				
- ARY IQ Precious Metals (Private) Limited	Associated Company	Common Director	-	23,535
OTHER LIABILITIES & PROVISIONS				
Advance against property				
- ARY Laguna (Pvt) Limited	Associated Company	Common Director	69,999,993	33,333,330

45. STAFF STRENGTH

	2025	2024
	----- Numbers -----	
Number of employees at end of the year	<u>15</u>	<u>11</u>
Average number of employees during the year	<u>13</u>	<u>12</u>

46. SHARIAH COMPLIANCE DISCLOSURE

	Note	2025			2024		
		Conventional	Shariah Compliant	Total 2025	Conventional	Shariah Compliant	Total 2025
----- (Rupees) -----							
Statement of Financial Position							
Long term deposit		-	-	-	537,280	-	537,280
Long term financing	13	2,656,649	52,982,004	55,638,653	3,113,756	38,454,962	41,568,718
Diminishing musharaka financing	15	-	7,735,000	7,735,000	-	-	-
Long term loans and advances	14	7,722,600	-	7,722,600	6,274,632	-	6,274,632
Short term financing	16	-	-	-	-	2,789,190	2,789,190
Short term investments	17	515,730,039	-	515,730,039	504,084,309	-	504,084,309
Deposits, prepayments and other receivables	18	-	21,277,845	21,277,845	-	4,577,445	4,577,445
Accrued interest	20	453,721	15,068,331	15,522,052	-	23,717,726	23,717,726
Cash and bank balances	22	86,047	30,500,556	30,586,603	-	12,967,805	12,967,805
Advance against property	28	-	69,999,993	69,999,993	-	33,333,330	33,333,330
Accrued and other liabilities	29	-	1,167,210	1,167,210	-	2,191,836	2,191,836
		<u>526,649,056</u>	<u>198,730,939</u>	<u>725,379,995</u>	<u>514,009,977</u>	<u>118,032,294</u>	<u>632,042,271</u>
Statement of Profit or Loss							
Income on financing	31	470,756	50,461,957	50,932,713	903,150	41,369,725	42,272,875
Return on securities	33	58,955,918	-	58,955,918	78,802,240	-	78,802,240
Gain on sale of investments		255,028	-	255,028	14,962,290	-	14,962,290
Profit on deposit with banks		205,061	382,637	587,698	-	2,165,623	2,165,623
Other income	34	-	2,493,254	2,493,254	-	1,054,892	1,054,892
		<u>59,886,763</u>	<u>53,337,848</u>	<u>113,224,611</u>	<u>94,667,680</u>	<u>44,590,240</u>	<u>139,257,920</u>

47. NON-ADJUSTING EVENT AFTER THE REPORTING YEAR

The Board of Directors of the Management Company has approved dividend at the rate of Rs. _____ per certificate (2024: 15% per certificate) for the year ended December 31, 2025, resulting in a total distribution of profit distribution of profit amounting to Rs. _____ (2024: Rs. 88,722,888), in its meeting held on March 28, 2026. These financial statements

do not reflect this proposed distribution which will be incorporated in the financial statements for the year ending December 31, 2025.

48. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were approved and authorized for issue by the Board of Directors on _____.

49. GENERAL

49.1 Figures have been rounded off to the nearest rupee.

Shakeel Ahmed
Chief Financial Officer

Zafar M. Sheikh
Chief Executive Officer

Haji Jan Muhammad
Chairman / Director

PATTERN OF SHAREHOLDING FORM "34" SHAREHOLDERS STATISTICS

AS AT DECEMBER 31, 2025

Number of Shareholders	Shareholdings		Total Shareholders
	From	To	
877	1	100	30,991
521	101	500	125,571
178	501	1000	135,245
549	1001	5000	958,281
66	5001	10000	461,239
22	10001	15000	264,062
7	15001	20000	118,771
7	20001	25000	151,533
8	25001	30000	224,913
3	35001	40000	115,066
3	45001	50000	142,113
1	50001	55000	51,947
3	60001	65000	185,354
1	105001	110000	106,000
1	160001	165000	160,193
3	185001	190000	560,553
1	235001	240000	239,470
1	265001	270000	266,521
1	345001	350000	346,931
2	430001	435000	865,862
1	450001	455000	452,646
1	565001	570000	569,250
1	810001	815000	813,022
1	1055001	1060000	1,055,516
1	1065001	1070000	1,065,168
1	1250001	1255000	1,253,384
1	1330001	1335000	1,334,574
1	1345001	1350000	1,348,374
1	1355001	1360000	1,355,367
1	1630001	1635000	1,634,952
1	1805001	1810000	1,809,582
2	2095001	2100000	4,198,806
2	2560001	2565000	5,121,086
1	2565001	2570000	2,567,354
1	3215001	3220000	3,215,530
1	3360001	3365000	3,362,425
1	4195001	4200000	4,197,614
1	4200001	4205000	4,200,984
1	5685001	5690000	5,687,112
1	8395001	8400000	8,395,230
2,277	Total		59,148,592

Sr. No.	Catagories of Shareholders	Number of Shareholders	Total Shareholders	Percentage %
1	Individuals	2,244	57,223,736	96.75
2	Investment Companies	4	2,329	0
3	Insurance Companies	1	264	0
4	Joint Stock Companies	19	32,580	0.06
5	Financial Institutions	5	5,837	0.01
6	Modaraba Companies	1	1,022	0
7	Mutual Fund	1	1,634,952	2.76
8	Others	1	239,470	0.4
9	Employees Benevolent Fund	1	8,402	0.01
		2,277	59,148,592	100

Security Investment Bank Limited

Detail for pattern of shareholding as on 31 December 2025

Row Labels	Sum of Shares held	%
1) Individual Individual	17,990,370 17,990,370	30.42
2) Investment companies except ICP Investment companies except ICP	2,329 2,329	0.00
3) Public / Private Sector Companies and Corporations Public / Private Sector Companies and Corporations	272,050 272,050	0.46
4) Directors, Chief Executive Officer and their spouse and minor children Haji Jan Muhammad Muhammad Mehboob Zillay Huma Khan	5,726 1,403 3,173 1,150	0.00 0.01 0.00
5) Investment Corporation of Pakistan Investment Corporation of Pakistan	1,960 1,960	0.00
6) Associated companies, undertakings and related parties Fouzia Bano Maryiam Bai Muhammad Hanif Muhammad Iqbal Shahnaz Javed Yasmin Bano Zarina Iqbal Samreen Shoaib	23,252,756 2,098,806 1,355,367 2,560,543 4,696,999 4,197,614 2,560,543 3,215,530 2,567,354	3.55 2.29 4.33 7.94 7.10 4.33 5.44 4.34
	1,650,477	
7) Banks, DFIs, Insurance Companies, Modarabas and Mutual Funds except National Bank of Pakistan, Trustee Department	1,650,477	2.79
8) Shareholders holding ten percent or more voting interest Amina Bano HAR	15,972,924 8,395,230 7,577,694	14.19 12.81
Grand Total	59,148,592	100.00

DIVIDEND MANDATE FORM



DIVIDEND MANDATE FORM

S. No.	Shareholder / Member Details	
1.	Folio Number	
2.	Share Holder Name	
3.	Father's / Husband Name	
4.	CNIC number / Passport No. (In case of foreign attach attested copy of CNIC / Passport shareholder)	
5.	Cell Number	
6.	Email address	
7.	Name of Bank and Branch	
8.	Title of Bank Account	
9.	Bank Account Number / IBAN No.	
10.	NTN (in case of corporate entity, attach copy)	
11.	Change of mailing address	

Signature of Members / Shareholders

E-Dividend (Mandatory)

In accordance with the provisions of Section 242 of the Companies Act, 2017 and E Dividend Regulations of the SECP through S.R.O. 1145(1)/2017 dated November 6, 2017, it is mandatory for the Company to pay cash dividend to the members only through electronic mode directly into the bank account designated by the Member.

In order to receive dividends directly into bank accounts, members are requested to fill in Dividend Mandate Request (available at Company's website) and send it duly signed along with copy of CNIC to the Company's Share Registrar, in case of physical shares. In case the shares are held on the CDS, the Form required to be submitted directly to the Member's broker/participant/CDC Account Services.

CNIC Submission (Mandatory)

Pursuant to the directives of the Securities and Exchange Commission of Pakistan, CNIC number is mandatorily required to be mentioned on dividend warrants, you are therefore requested to submit a copy of your valid CNIC. In case of non-receipt of the copy of valid CNIC, Security Investment Bank Limited (the Company) would be unable to comply with SRO 831 (1) 20120 dated 50 July 2012 of SECP and therefore may be constrained under Section 25 (2) (a) of the Companies Act 2017 to withhold dispatch of dividend warrants of such shareholders in future.

Share Registrar

M/s C & K Management Associates (Private) Limited

M-13, Progressive Plaza, Plot No. 5 - CL - 10, Civil Lines Quarter, Beaumont Road, Karachi

Note: Shareholders who hold shares in Central Depository Company are requested to submit the duly filled Dividend Mandate Form to their Participants/Investor Account Services.

FORM OF PROXY THIRTY FIFTH ANNUAL GENERAL MEETING

I / We _____
of _____
a member / members of SECURITY INVESTMENT BANK LIMITED and holding _____
ordinary shares, as per Register Folio / CDC A/c or sub account no _____
do hereby appoint _____
of _____
to vote for me us and on my / our behalf at the Thirty Fifth Annual General Meeting of the Company to
be held on 29th April 2026 and at any adjournment thereof.

As Witness my/our hand this _____ day of _____ 2026.

Folio No. _____

REVENUE
STAMP
RS. 5/-

Witness:-

1. Name _____

CNIC # _____

SIGNATURE OF MEMBER (S)

2. Name _____

CNIC # _____

IMPORTANT:

1. A member entitled to attend Thirty Fifth Annual General Meeting is entitled to appoint a proxy to attend and vote instead of him.
2. The instrument appointing a proxy should be signed by the member or by his attorney duly authorized in writing. If the member is a corporation its common seal (if any) should be affixed on the instrument.
3. The proxies shall be deposited at the Share Registrar's Office of the Company not less than 48 hours before the time of the meeting.
4. For CDC Account Holders/Corporate Entities
In addition to the above the following requirement have to be met.
 - a. Copies of CNIC or the passport of the beneficial owners and the proxy shall be provided with the proxy form.
 - b. The proxy shall produce his original CNIC or Original Passport at the time of meeting
 - c. In case of corporate entity the Board of Directors regulation / power of attorney with specimen signature.



پراکسی فارم

پینتیسواں سالانہ اجلاس عام

میں/ ہم _____ کا/ کے بحیثیت ممبر (ز) کے سکیورٹی انویسٹمنٹ بینک لمیٹڈ اور حامل _____ عام حصص بمطابق فولیو نمبر CDC Sub A/C / CDC A/C نمبر _____ مقرر کرتا/ کرتے ہیں۔ محترم/ محترمہ _____ آف _____ کو اپنے/ ہمارے ایما پر کمپنی کے 29 اپریل 2026 کو ہونے والے 35 واں سالانہ عمومی اجلاس میں شرکت کرنے، حق رائے دہی استعمال کرنے یا کسی بھی التواء کی صورت میں اپنا/ ہمارا بطور نمائندہ (پراکسی) بطور گواہ آج بتاریخ _____ میرے/ ہمارے دستخط ہوں۔

پانچ روپے
کے رسیدی ٹکٹ
پر دستخط

اس دستخط کا کمپنی کے ساتھ رجسٹرڈ دستخط کے نمونے سے مشابہت ہونا لازمی ہے۔

فولیو نمبر: _____

گواہ:

۱۔ نام: _____
CNIC _____
۲۔ نام: _____
CNIC _____

اہم نکات:

- ۱۔ کوئی ممبر جو کہ سالانہ عمومی اجلاس شرکت کرنے کا مجاز ہے وہ اپنے بدلے شرکت اور حق رائے دہی کے لئے پراکسی نامزد کر سکتا ہے۔
- ۲۔ پراکسی انسٹرومینٹ میرے یا یا اختیار اٹارنی سے دستخط شدہ ہونا لازمی ہے، اگر ممبر کوئی کمپنی یا کارپوریشن ہے تو اس کی Common Seal پراکسی انسٹرومینٹ پر ہونا لازمی ہے۔
- ۳۔ ہر لحاظ سے مکمل اور دستخط شدہ فارم میٹنگ سے کم از کم 48 گھنٹے قبل کمپنی کے شیئر رجسٹرار کے آفس میں موصول ہو جانا چاہیئے۔
- ۴۔ CDC کا ڈونٹ رکھنے والے/ کارپوریٹ ادارے۔

مزید برآں درج ذیل شرائط کو پورا کیا جائے گا:

- i پراکسی فارم کے ہمراہ مالکان کے شناختی کارڈ یا پاسپورٹ کی نقول بھی دی جائیں۔
- ii پراکسی کو اپنا اصل شناختی کارڈ یا پاسپورٹ میٹنگ کے وقت دکھانا ہوگا۔
- iii کارپوریٹ ادارے کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد/ پاور آف اٹارنی مع دستخط کے نمونے کمپنی میں پراکسی فارم کے ساتھ جمع کرانی ہوگی۔



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